

**PROPERTY TAX AMENDMENTS**

2010 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Wayne A. Harper**

Senate Sponsor: Wayne L. Niederhauser

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**LONG TITLE**

**General Description:**

This bill modifies provisions relating to property tax.

**Highlighted Provisions:**

This bill:

- ▶ moves the authority to fill a vacancy in the office of county assessor from the county executive to the county legislative body;
- ▶ modifies the time at which certain qualifications for a county assessor in a county of the first, second, or third class are determined;
- ▶ expands a requirement to conduct an annual update of property values using a mass appraisal system so that the requirement applies to assessors in counties of the third, fourth, fifth, and sixth class in addition to county assessors in first and second class counties;
- ▶ modifies the distribution of certain funds from the multicounty assessing and collecting levy;
- ▶ modifies a provision relating to a property tax notice that the county auditor is required to provide;
- ▶ modifies the time within which a taxpayer may file an appeal relating to the value of personal property;
- ▶ prohibits a person from claiming a homestead exemption for property acquired as a result of criminal activity; and
- ▶ modifies provisions relating to the multicounty assessing and collecting levy.

**Monies Appropriated in this Bill:**

30 None

31 **Other Special Clauses:**

32 None

33 **Utah Code Sections Affected:**

34 AMENDS:

35 **17-17-2**, as last amended by Laws of Utah 2009, Chapter 271

36 **59-2-303.1**, as last amended by Laws of Utah 2008, Chapter 301

37 **59-2-306**, as last amended by Laws of Utah 2008, Chapter 61

38 **59-2-919.1**, as last amended by Laws of Utah 2009, Chapter 204

39 **59-2-924**, as last amended by Laws of Utah 2009, Chapters 152, 204, 356, and 388

40 **59-2-1005**, as last amended by Laws of Utah 2005, Chapters 217 and 244

41 **59-2-1601**, as enacted by Laws of Utah 2008, Chapter 330

42 **59-2-1602**, as last amended by Laws of Utah 2009, Chapters 204 and 271

43 **59-2-1603**, as last amended by Laws of Utah 2009, Chapter 271

44 **59-2-1606**, as enacted by Laws of Utah 2009, Chapter 271

45 **78B-5-503**, as renumbered and amended by Laws of Utah 2008, Chapter 3



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

48 Section 1. Section **17-17-2** is amended to read:

49 **17-17-2. Assessor to be state qualified -- Vacancy -- Filling vacancy.**

50 (1) (a) Except as provided in Subsection (1)(b), in addition to the requirements of  
51 Section 17-16-1, any person elected to the office of county assessor after November 1, 1993,  
52 shall be a state-licensed or state-certified appraiser as defined in Title 61, Chapter 2b, Real  
53 Estate Appraiser Licensing and Certification Act, prior to the expiration of 36 months from the  
54 day on which his term of office begins.

55 (b) Notwithstanding Subsection (1)(a), a county assessor of a county of the first  
56 through third class shall be a state-licensed or state-certified appraiser as defined in Title 61,  
57 Chapter 2b, Real Estate Appraiser Licensing and Certification Act, prior to ~~[taking]~~ filing for

58 office if the county assessor is:

59 (i) elected to the office of county assessor on or after January 1, 2010; or

60 (ii) selected to fill the vacancy of a county assessor as described in Subsection (2).

61 (2) (a) If an assessor fails to meet the requirement of this section, the assessor's office  
62 is automatically vacant.

63 (b) (i) ~~[In the event of]~~ (A) If a vacancy occurs under this section, the county  
64 ~~[executive]~~ legislative body shall fill the vacancy in the manner provided ~~[for]~~ in Sections  
65 17-53-104 and 20A-1-508. ~~[However, a]~~

66 (B) A person selected to fill the vacancy ~~[must]~~ shall be a state-licensed or  
67 state-certified appraiser ~~[within six months after]~~ before assuming the office of county  
68 assessor.

69 (ii) If a state-licensed or state-certified appraiser cannot be found to fill a vacancy  
70 which resulted from the requirements of this section, the county ~~[executive]~~ legislative body  
71 may contract with a state-licensed or state-certified appraiser from outside the county to fill  
72 the remainder of the term in the office of county assessor.

73 Section 2. Section **59-2-303.1** is amended to read:

74 **59-2-303.1. Mandatory cyclical appraisals.**

75 (1) For purposes of this section:

76 (a) "Corrective action" includes:

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

78 (ii) notifying the state auditor that the county failed to comply with the requirements  
79 of this section; or

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

81 (b) "Mass appraisal system" means a computer assisted mass appraisal system that:

82 (i) a county assessor uses to value real property; and

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

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

86 (B) can be programmed with specialized criteria;

87 (C) provides uniform and equal treatment of parcels within the same class of real  
88 property throughout the county; and

89 (D) annually updates all parcels of residential real property within the county using  
90 accepted valuation methodologies as determined by rule.

91 (c) "Property review date" means the date a county assessor completes a detailed  
92 review of the property characteristics of a parcel of real property in accordance with  
93 Subsection (3)(a).

94 (2) (a) The county assessor shall annually update property values of property as  
95 provided in Section 59-2-301 based on a systematic review of current market data.

96 (b) The county assessor [~~of a county of the first or second class~~] shall conduct the  
97 annual update described in Subsection (2)(a) by using a mass appraisal system on or before the  
98 following:

99 (i) for a county of the first class, January 1, 2009; [~~and~~]

100 (ii) for a county of the second class, January 1, 2011[-];

101 (iii) for a county of the third class, January 1, 2014; and

102 (iv) for a county of the fourth, fifth, or sixth class, January 1, 2015.

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

105 (i) described in Subsection (1)(b); and

106 (ii) of the commission.

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

110 (b) The county assessor shall maintain on the county's computer system, a record of  
111 the last property review date for each parcel of real property located within the county  
112 assessor's county.

113 (4) (a) The commission shall take corrective action if the commission determines that:

- 114 (i) a county assessor has not satisfactorily followed the current mass appraisal  
115 standards, as provided by law;
- 116 (ii) the sales-assessment ratio, coefficients of dispersion, or other statistical measures  
117 of appraisal performance related to the studies required by Section 59-2-704 are not within the  
118 standards provided by law; or
- 119 (iii) the county assessor has failed to comply with the requirements of this section.
- 120 (b) If a county assessor fails to comply with the requirements of this section for one  
121 year, the commission shall assist the county assessor in fulfilling the requirements of  
122 Subsections (2) and (3).
- 123 (c) If a county assessor fails to comply with the requirements of this section for two  
124 consecutive years, the county will lose the county's allocation of the revenue generated  
125 statewide from the imposition of the multicounty assessing and collecting levy authorized in  
126 Sections 59-2-1602 and 59-2-1603.
- 127 (d) If a county loses its allocation of the revenue generated statewide from the  
128 imposition of the multicounty assessing and collecting levy described in Subsection (4)(c), the  
129 revenue the county would have received shall ~~be distributed to the Multicounty Appraisal~~  
130 Trust created by interlocal agreement by all counties in the state.
- 131 ~~[(i) be retained in the Property Tax Valuation Agency Fund for that calendar year;~~  
132 ~~and]~~
- 133 ~~[(ii) be distributed the following calendar year in accordance with Section 59-2-1603.]~~
- 134 (5) (a) On or before July 1, 2008, the county assessor shall prepare a five-year plan to  
135 comply with the requirements of Subsections (2) and (3).
- 136 (b) The plan shall be available in the county assessor's office for review by the public  
137 upon request.
- 138 (c) The plan shall be annually reviewed and revised as necessary.
- 139 (6) (a) A county assessor shall create, maintain, and regularly update a database  
140 containing the following information that the county assessor may use to enhance the county's  
141 ability to accurately appraise and assess property on an annual basis:

142 (i) fee and other appraisals;  
143 (ii) property characteristics and features;  
144 (iii) property surveys;  
145 (iv) sales data; and  
146 (v) any other data or information on sales, studies, transfers, changes to property, or  
147 property characteristics.

148 (b) A county assessor shall submit a report to the commission on or before September  
149 1 stating the progress of the county assessor to meet the requirements of Subsection (6)(a).

150 (c) The commission shall report to the Revenue and Taxation Interim Committee on or  
151 before the October interim meeting concerning the information received from the county  
152 assessors pursuant to Subsection (6)(b).

153 Section 3. Section **59-2-306** is amended to read:

154 **59-2-306. Statements by taxpayers -- Power of assessors respecting statements.**

155 (1) (a) The county assessor may request a signed statement from any person setting  
156 forth all the real and personal property assessable by the assessor which is owned, possessed,  
157 managed, or under the control of the person at 12 noon on January 1.

158 (b) A request under Subsection (1)(a) shall include a notice of the procedure under  
159 Section 59-2-1005 for appealing the value of the personal property.

160 (2) (a) Except as provided in Subsection (2)(b) or (c), a signed statement described in  
161 Subsection (1) shall be filed on or before May 15 of the year the statement described in  
162 Subsection (1) is requested by the county assessor.

163 (b) For a county of the first class, the signed statement described in Subsection (1)  
164 shall be filed on the later of:

165 (i) 60 days after requested by the assessor; or

166 (ii) on or before May 15 of the year the statement described in Subsection (1) is  
167 requested by the county assessor if, by resolution, the county legislative body of that county  
168 adopts the deadline described in Subsection (2)(a).

169 (c) If a county assessor requests a signed statement described in Subsection (1) on or

170 after March 16, the person shall file the signed statement within 60 days after requested by the  
171 assessor.

172 (3) The signed statement shall include the following:

173 (a) all property belonging to, claimed by, or in the possession, control, or management  
174 of the person, any firm of which the person is a member, or any corporation of which the  
175 person is president, secretary, cashier, or managing agent;

176 (b) the county in which the property is located or in which it is taxable; and, if taxable  
177 in the county in which the signed statement was made, also the city, town, school district, road  
178 district, or other taxing district in which it is located or taxable; and

179 (c) all lands in parcels or subdivisions not exceeding 640 acres each, the sections and  
180 fractional sections of all tracts of land containing more than 640 acres which have been  
181 sectionized by the United States Government, and the improvements on those lands.

182 (4) Every assessor may subpoena and examine any person in any county in relation to  
183 any signed statement but may not require that person to appear in any county other than the  
184 county in which the subpoena is served.

185 Section 4. Section **59-2-919.1** is amended to read:

186 **59-2-919.1. Notice of property valuation and tax changes.**

187 (1) In addition to the notice requirements of Section 59-2-919, the county auditor, on  
188 or before July 22 of each year, shall notify, by mail, each owner of real estate as defined in  
189 Section 59-2-102 who is listed on the assessment roll.

190 (2) The notice described in Subsection (1) shall:

191 (a) be sent to all owners of real property by mail not less than 10 days before the day  
192 on which:

193 (i) the county board of equalization meets; and

194 (ii) the taxing entity holds a public hearing on the proposed increase in the certified  
195 tax rate;

196 (b) be printed on a form that is:

197 (i) approved by the commission; and

- 198 (ii) uniform in content in all counties in the state; and
- 199 (c) contain for each property:
  - 200 (i) the assessor's determination of the value of the property;
  - 201 (ii) the date the county board of equalization will meet to hear complaints on the
  - 202 valuation;
  - 203 (iii) itemized tax information for all applicable taxing entities~~[, including a separate~~
  - 204 ~~statement for the minimum school levy under Section 53A-17a-135];~~
  - 205 (A) stating:
    - 206 [~~(A)~~] (I) (Aa) the dollar amount [~~the taxpayer would have paid based on last year's~~
    - 207 ~~rate]~~ of the taxpayer's liability for the property in the prior year; and
    - 208 [~~(B)~~] (Bb) the dollar amount of the taxpayer's liability under the current rate; and
    - 209 (II) for a taxing entity that proposes a tax increase that is subject to the notice and
    - 210 hearing requirements of Section 59-2-919:
      - 211 (Aa) the dollar amount of the taxpayer's liability if the proposed increase is approved;
      - 212 (Bb) the difference between the dollar amount of the taxpayer's liability if the
      - 213 proposed increase is approved and the dollar amount of the taxpayer's liability under the
      - 214 current rate, placed in close proximity to the information under Subsection (2)(c)(v); and
      - 215 (Cc) the percentage increase that the dollar amount of the taxpayer's liability under the
      - 216 proposed tax rate represents as compared to the dollar amount of the taxpayer's liability under
      - 217 the current tax rate; and
  - 218 (iv) the tax impact on the property;
  - 219 (v) the time and place of the required public hearing for each entity;
  - 220 (vi) property tax information pertaining to:
    - 221 (A) taxpayer relief;
    - 222 (B) options for payment of taxes; and
    - 223 (C) collection procedures;
  - 224 (vii) information specifically authorized to be included on the notice under Title 59,
  - 225 Chapter 2, Property Tax Act;



226 (viii) the last property review date of the property as described in Subsection  
227 59-2-303.1(1)(c); and

228 (ix) other property tax information approved by the commission.

229 Section 5. Section **59-2-924** is amended to read:

230 **59-2-924. Report of valuation of property to county auditor and commission --**  
231 **Transmittal by auditor to governing bodies -- Certified tax rate -- Calculation of**  
232 **certified tax rate -- Rulemaking authority -- Adoption of tentative budget.**

233 (1) Before June 1 of each year, the county assessor of each county shall deliver to the  
234 county auditor and the commission the following statements:

235 (a) a statement containing the aggregate valuation of all taxable real property assessed  
236 by a county assessor in accordance with Part 3, County Assessment, for each taxing entity;  
237 and

238 (b) a statement containing the taxable value of all personal property assessed by a  
239 county assessor in accordance with Part 3, County Assessment, from the prior year end values.

240 (2) The county auditor shall, on or before June 8, transmit to the governing body of  
241 each taxing entity:

242 (a) the statements described in Subsections (1)(a) and (b);

243 (b) an estimate of the revenue from personal property;

244 (c) the certified tax rate; and

245 (d) all forms necessary to submit a tax levy request.

246 (3) (a) The "certified tax rate" means a tax rate that will provide the same ad valorem  
247 property tax revenues for a taxing entity as were budgeted by that taxing entity for the prior  
248 year.

249 (b) For purposes of this Subsection (3):

250 (i) "Ad valorem property tax revenues" do not include:

251 (A) interest;

252 (B) penalties; and

253 (C) revenue received by a taxing entity from personal property that is:

254 (I) assessed by a county assessor in accordance with Part 3, County Assessment; and  
255 (II) semiconductor manufacturing equipment.

256 (ii) "Aggregate taxable value of all property taxed" means:

257 (A) the aggregate taxable value of all real property assessed by a county assessor in  
258 accordance with Part 3, County Assessment, for the current year;

259 (B) the aggregate taxable year end value of all personal property assessed by a county  
260 assessor in accordance with Part 3, County Assessment, for the prior year; and

261 (C) the aggregate taxable value of all real and personal property assessed by the  
262 commission in accordance with Part 2, Assessment of Property, for the current year.

263 (c) (i) Except as otherwise provided in this section, the certified tax rate shall be  
264 calculated by dividing the ad valorem property tax revenues budgeted for the prior year by the  
265 taxing entity by the amount calculated under Subsection (3)(c)(ii).

266 (ii) For purposes of Subsection (3)(c)(i), the legislative body of a taxing entity shall  
267 calculate an amount as follows:

268 (A) calculate for the taxing entity the difference between:

269 (I) the aggregate taxable value of all property taxed; and

270 (II) any redevelopment adjustments for the current calendar year;

271 (B) after making the calculation required by Subsection (3)(c)(ii)(A), calculate an  
272 amount determined by increasing or decreasing the amount calculated under Subsection  
273 (3)(c)(ii)(A) by the average of the percentage net change in the value of taxable property for  
274 the equalization period for the three calendar years immediately preceding the current calendar  
275 year;

276 (C) after making the calculation required by Subsection (3)(c)(ii)(B), calculate the  
277 product of:

278 (I) the amount calculated under Subsection (3)(c)(ii)(B); and

279 (II) the percentage of property taxes collected for the five calendar years immediately  
280 preceding the current calendar year; and

281 (D) after making the calculation required by Subsection (3)(c)(ii)(C), calculate an

282 amount determined by subtracting from the amount calculated under Subsection (3)(c)(ii)(C)  
283 any new growth as defined in this section:

284 (I) within the taxing entity; and

285 (II) for the following calendar year:

286 (Aa) for new growth from real property assessed by a county assessor in accordance  
287 with Part 3, County Assessment and all property assessed by the commission in accordance  
288 with Section 59-2-201, the current calendar year; and

289 (Bb) for new growth from personal property assessed by a county assessor in  
290 accordance with Part 3, County Assessment, the prior calendar year.

291 (iii) For purposes of Subsection (3)(c)(ii)(A), the aggregate taxable value of all  
292 property taxed:

293 (A) except as provided in Subsection (3)(c)(iii)(B) or (3)(c)(ii)(C), is as defined in  
294 Subsection (3)(b)(ii);

295 (B) does not include the total taxable value of personal property contained on the tax  
296 rolls of the taxing entity that is:

297 (I) assessed by a county assessor in accordance with Part 3, County Assessment; and

298 (II) semiconductor manufacturing equipment; and

299 (C) for personal property assessed by a county assessor in accordance with Part 3,  
300 County Assessment, the taxable value of personal property is the year end value of the  
301 personal property contained on the prior year's tax rolls of the entity.

302 (iv) For purposes of Subsection (3)(c)(ii)(B), for calendar years beginning on or after  
303 January 1, 2007, the value of taxable property does not include the value of personal property  
304 that is:

305 (A) within the taxing entity assessed by a county assessor in accordance with Part 3,  
306 County Assessment; and

307 (B) semiconductor manufacturing equipment.

308 (v) For purposes of Subsection (3)(c)(ii)(C)(II), for calendar years beginning on or  
309 after January 1, 2007, the percentage of property taxes collected does not include property

310 taxes collected from personal property that is:

311 (A) within the taxing entity assessed by a county assessor in accordance with Part 3,  
312 County Assessment; and

313 (B) semiconductor manufacturing equipment.

314 (vi) For purposes of Subsection (3)(c)(ii)(B), for calendar years beginning on or after  
315 January 1, 2009, the value of taxable property does not include the value of personal property  
316 that is within the taxing entity assessed by a county assessor in accordance with Part 3, County  
317 Assessment.

318 (vii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
319 the commission may prescribe rules for calculating redevelopment adjustments for a calendar  
320 year.

321 (viii) (A) (I) For purposes of Subsection (3)(c)(i), for a calendar year beginning on or  
322 after January 1, 2010, a taxing entity's ad valorem property tax revenues budgeted for the prior  
323 year shall be decreased by an amount of revenue equal to the five-year average of the most  
324 recent prior five years of redemptions as reported on the county treasurer's final annual  
325 settlement required under Subsection 59-2-1365(2).

326 (II) A decrease under Subsection (3)(c)(viii)(A)(I) does not apply to the multicounty  
327 assessing and collecting levy authorized in Subsection 59-2-1602(2)(a), the certified revenue  
328 levy, or the minimum basic tax rate established in Section 53A-17a-135.

329 (B) For the calendar year beginning on January 1, 2010 and ending on December 31,  
330 2010, a taxing entity is exempt from the notice and public hearing provisions of Section  
331 59-2-919 if the taxing entity budgets an increased amount of ad valorem property tax revenue  
332 equal to or less than the taxing entity's five-year average of the most recent prior five years of  
333 redemptions as reported on the county treasurer's final annual settlement required under  
334 Subsection 59-2-1365(2).

335 (d) (i) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
336 the commission shall make rules determining the calculation of ad valorem property tax  
337 revenues budgeted by a taxing entity.

338           (ii) For purposes of Subsection (3)(d)(i), ad valorem property tax revenues budgeted  
339 by a taxing entity shall be calculated in the same manner as budgeted property tax revenues are  
340 calculated for purposes of Section 59-2-913.

341           (e) The certified tax rates for the taxing entities described in this Subsection (3)(e)  
342 shall be calculated as follows:

343           (i) except as provided in Subsection (3)(e)(ii), for new taxing entities the certified tax  
344 rate is zero;

345           (ii) for each municipality incorporated on or after July 1, 1996, the certified tax rate is:

346           (A) in a county of the first, second, or third class, the levy imposed for municipal-type  
347 services under Sections 17-34-1 and 17-36-9; and

348           (B) in a county of the fourth, fifth, or sixth class, the levy imposed for general county  
349 purposes and such other levies imposed solely for the municipal-type services identified in  
350 Section 17-34-1 and Subsection 17-36-3(22); and

351           (iii) for debt service voted on by the public, the certified tax rate shall be the actual  
352 levy imposed by that section, except that the certified tax rates for the following levies shall be  
353 calculated in accordance with Section 59-2-913 and this section:

354           (A) school leeways provided for under Sections 11-2-7, 53A-16-110, 53A-17a-127,  
355 53A-17a-133, 53A-17a-134, 53A-17a-143, and 53A-17a-145; and

356           (B) levies to pay for the costs of state legislative mandates or judicial or administrative  
357 orders under Section 59-2-1604.

358           (f) (i) A judgment levy imposed under Section 59-2-1328 or 59-2-1330 shall be  
359 established at that rate which is sufficient to generate only the revenue required to satisfy one  
360 or more eligible judgments, as defined in Section 59-2-102.

361           (ii) The ad valorem property tax revenue generated by the judgment levy shall not be  
362 considered in establishing the taxing entity's aggregate certified tax rate.

363           (g) The ad valorem property tax revenue generated by the capital outlay levy described  
364 in Section 53A-16-107 within a taxing entity in a county of the first class:

365           (i) may not be considered in establishing the school district's aggregate certified tax

366 rate; and

367 (ii) shall be included by the commission in establishing a certified tax rate for that  
368 capital outlay levy determined in accordance with the calculation described in Subsection  
369 59-2-913(3).

370 (4) (a) For the purpose of calculating the certified tax rate, the county auditor shall  
371 use:

372 (i) the taxable value of real property assessed by a county assessor contained on the  
373 assessment roll;

374 (ii) the taxable value of real and personal property assessed by the commission; and

375 (iii) the taxable year end value of personal property assessed by a county assessor  
376 contained on the prior year's assessment roll.

377 (b) For purposes of Subsection (4)(a)(i), the taxable value of real property on the  
378 assessment roll does not include new growth as defined in Subsection (4)(c).

379 (c) "New growth" means:

380 (i) the difference between the increase in taxable value of the following property of the  
381 taxing entity from the previous calendar year to the current year:

382 (A) real property assessed by a county assessor in accordance with Part 3, County  
383 Assessment; and

384 (B) property assessed by the commission under Section 59-2-201; plus

385 (ii) the difference between the increase in taxable year end value of personal property  
386 of the taxing entity from the year prior to the previous calendar year to the previous calendar  
387 year; minus

388 (iii) the amount of an increase in taxable value described in Subsection (4)(e).

389 (d) For purposes of Subsection (4)(c)(ii), the taxable value of personal property of the  
390 taxing entity does not include the taxable value of personal property that is:

391 (i) contained on the tax rolls of the taxing entity if that property is assessed by a  
392 county assessor in accordance with Part 3, County Assessment; and

393 (ii) semiconductor manufacturing equipment.

394 (e) Subsection (4)(c)(iii) applies to the following increases in taxable value:  
395 (i) the amount of increase to locally assessed real property taxable values resulting  
396 from factoring, reappraisal, or any other adjustments; or  
397 (ii) the amount of an increase in the taxable value of property assessed by the  
398 commission under Section 59-2-201 resulting from a change in the method of apportioning the  
399 taxable value prescribed by:  
400 (A) the Legislature;  
401 (B) a court;  
402 (C) the commission in an administrative rule; or  
403 (D) the commission in an administrative order.  
404 (f) For purposes of Subsection (4)(a)(ii), the taxable year end value of personal  
405 property on the prior year's assessment roll does not include:  
406 (i) new growth as defined in Subsection (4)(c); or  
407 (ii) the total taxable year end value of personal property contained on the prior year's  
408 tax rolls of the taxing entity that is:  
409 (A) assessed by a county assessor in accordance with Part 3, County Assessment; and  
410 (B) semiconductor manufacturing equipment.  
411 (5) (a) On or before June 22, each taxing entity shall annually adopt a tentative budget.  
412 (b) If the taxing entity intends to exceed the certified tax rate, it shall notify the county  
413 auditor of:  
414 (i) its intent to exceed the certified tax rate; and  
415 (ii) the amount by which it proposes to exceed the certified tax rate.  
416 (c) The county auditor shall notify property owners of any intent to levy a tax rate that  
417 exceeds the certified tax rate in accordance with Sections 59-2-919 and 59-2-919.1.  
418 Section 6. Section **59-2-1005** is amended to read:  
419 **59-2-1005. Procedures for appeal of personal property valuation -- Time for**  
420 **appeal -- Hearing -- Decision -- Appeal to commission.**  
421 [~~(1) For personal property assessed by a county assessor in accordance with Section~~

422 ~~59-2-301, the county legislative body shall include with the signed statement required by~~  
423 ~~Section 59-2-306 a notice of procedures for an appeal relating to the value of the personal~~  
424 ~~property.]~~

425 ~~[(2) (a) If personal property is subject to a fee in lieu of tax or the uniform tax under~~  
426 ~~Article XIII, Sec. 2, Utah Constitution, and the fee or tax is based upon the value of the~~  
427 ~~property, the basis of the value may be appealed to the commission.]~~

428 ~~[(b) For the personal property described in Subsection (2)(a), a taxpayer]~~

429 (1)(a) A taxpayer owning personal property assessed by a county assessor under  
430 Section 59-2-301 may make an appeal relating to the value of the personal property by filing  
431 an application with the county legislative body no later than [30]:

432 (i) the expiration of the time allowed under Section 59-2-306 for filing a signed  
433 statement, if the county assessor requests a signed statement under Section 59-2-306; or

434 (ii) 60 days after the mailing of the tax notice, for each other taxpayer.

435 ~~[(3) (a) After giving reasonable notice, the]~~

436 (b) A county legislative body shall:

437 (i) after giving reasonable notice, hear an appeal filed [in accordance with] under  
438 Subsection [(2)] (1)(a); and

439 (ii) render a written decision on the appeal within 60 days after receiving the appeal.

440 ~~[(b) The written decision described in Subsection (3)(a) shall be rendered no later than~~  
441 ~~60 days after receipt of the appeal.]~~

442 ~~[(4)] (c) If [any] the taxpayer is dissatisfied with a county legislative body decision~~  
443 ~~[rendered in accordance with] under Subsection [(3) by the county legislative body] (1)(b), the~~  
444 ~~taxpayer may file an appeal with the commission in accordance with Section 59-2-1006.~~

445 ~~[(5) For personal property assessed by the commission in accordance with Section~~  
446 ~~59-2-201, a taxpayer may make an appeal relating to the personal property in accordance with~~  
447 ~~Section 59-2-1007.]~~

448 (2) A taxpayer owning personal property subject to a fee in lieu of tax or a uniform tax  
449 under Article XIII, Section 2 of the Utah Constitution that is based on the value of the property



450 may appeal the basis of the value by filing an appeal with the commission within 30 days after  
451 the mailing of the tax notice.

452 Section 7. Section **59-2-1601** is amended to read:

453 **59-2-1601. Definitions.**

454 As used in this part:

455 (1) "Contributing county" means a county that:

456 (a) retains less revenue from the imposition of the multicounty assessing and  
457 collecting levy within the county pursuant to Section 59-2-1603 than it collects; and

458 (b) transmits a portion of the revenue collected from the imposition of the multicounty  
459 assessing and collecting levy to the Property Tax Valuation Agency Fund pursuant to Section  
460 59-2-1603.

461 (2) "Contributing county surplus revenue" means an amount equal to the difference  
462 between the following:

463 (a) the revenue collected by a county from imposing the multicounty assessing and  
464 collecting levy during a calendar year; and

465 (b) the county's multicounty assessing and collecting allocation as calculated in  
466 accordance with Subsection 59-2-1603(3).

467 (3) "County additional property tax" means the property tax levy described in  
468 Subsection 59-2-1602(4).

469 (4) "Fund" means the Property Tax Valuation Agency Fund created in Section  
470 59-2-1602.

471 (5) "Maximum county contribution" means an amount equal to the following:

472 (a) for a county of the first class, [~~\$500,000~~] \$300,000;

473 (b) for a county of the second class, [~~\$250,000~~] \$100,000;

474 (c) for a county of the third class, [~~\$250,000; and~~] \$100,000;

475 (d) for a county of the fourth class, [~~\$100,000;~~] \$50,000; and

476 for a county of the fifth or sixth class, \$0.

477 (6) "Minimum county contribution" means an amount equal to the following:

478 (a) for a county of the first class, [~~\$250,000~~] \$300,000; and

479 (b) for a county of the second or third class, [~~\$100,000~~] \$0.

480 (7) "Multicounty assessing and collecting allocation" means the revenue to which a  
481 county is entitled [~~to retain~~] from the statewide imposition of the multicounty assessing and  
482 collecting levy, as determined in accordance with the calculation described in Subsection  
483 59-2-1603(3).

484 (8) "Multicounty assessing and collecting levy" means a property tax rate not to  
485 exceed .0002 per dollar of taxable value levied in accordance with Section 59-2-1602.

486 (9) (a) "Parcel" means an identifiable contiguous unit of real property that is treated as  
487 separate for valuation or zoning purposes and includes any improvements on that unit of real  
488 property.

489 (b) "Parcel" or "other parcel" does not include an item of personal property.

490 (10) "Receiving county" means a county that:

491 (a) receives a disbursement from the Property Tax Valuation Agency Fund in  
492 accordance with Section 59-2-1603; and

493 (b) levies a county additional property tax of at least .0003 per dollar of taxable value  
494 in accordance with Subsection 59-2-1602(4).

495 Section 8. Section **59-2-1602** is amended to read:

496 **59-2-1602. Property Tax Valuation Agency Fund -- Creation -- Statewide levy --**  
497 **Additional county levy permitted.**

498 (1) (a) There is created the Property Tax Valuation Agency Fund, to be funded by the  
499 revenue collected from the multicounty assessing and collecting levy as provided in  
500 Subsection (3)(c) and Section 59-2-1603.

501 (b) The purpose of the multicounty assessing and collecting levy required under  
502 Subsection (2) and the disbursement formulas established in Section 59-2-1603 is to promote  
503 the:

504 (i) accurate valuation of property;

505 (ii) establishment and maintenance of uniform assessment levels within and among

506 counties; and

507 (iii) efficient administration of the property tax system, including the costs of  
508 assessment, collection, and distribution of property taxes.

509 (c) Income derived from the investment of money in the fund created in this  
510 Subsection (1) shall be deposited in and become part of the fund.

511 (2) (a) Annually, each county shall impose a multicounty assessing and collecting levy  
512 not to exceed .0002 per dollar of taxable value as authorized by the Legislature as provided in  
513 Subsection (2)(b).

514 (b) Subject to Subsections (2)(c), (2)(d), and (5), in order to fund the Property Tax  
515 Valuation Agency Fund, the Legislature shall authorize the amount of the multicounty  
516 assessing and collecting levy.

517 (c) Except as provided in Subsection (2)(d)(i)~~[(B)]~~, the multicounty assessing and  
518 collecting levy may not exceed the certified revenue levy as defined in Section 59-2-102,  
519 unless:

520 (i) the Legislature authorizes a multicounty assessing and collecting levy that exceeds  
521 the certified revenue levy; and

522 (ii) the state complies with the notice requirements of Section 59-2-926.

523 (d) (i) For a calendar year beginning on or after January 1, ~~[2009, the Legislature:]~~  
524 2010, the multicounty assessing and collecting levy for a county of the first class is adjusted to  
525 be the same rate as for a county of the second, third, fourth, fifth, or sixth class.

526 ~~[(A) shall add an additional .000010 per dollar of taxable value to the amount it~~  
527 ~~authorizes for the multicounty assessing and collecting levy:]~~

528 ~~[(F) described in Subsection (2)(b); and]~~

529 ~~[(H) imposed in a county of the second through sixth class; and]~~

530 ~~[(B) is exempt from the]~~

531 (ii) The notice requirements of Section 59-2-926 [for the revenue generated within a  
532 county of the second through sixth class by the .000010 per dollar of taxable value described  
533 in Subsection (2)(d)(i)(A)] do not apply to the rate adjustment under Subsection (2)(d)(i).

534           ~~[(ii) The revenue generated by the additional .000010 per dollar of taxable value of the~~  
535 ~~multicounty assessing and collecting levy imposed within a county of the second through sixth~~  
536 ~~class shall be distributed to the counties as described in Section 59-2-1606.]~~

537           (3) (a) The multicounty assessing and collecting levy authorized by the Legislature  
538 under Subsection (2) shall be separately stated on the tax notice as a multicounty assessing and  
539 collecting levy.

540           (b) The multicounty assessing and collecting levy authorized by the Legislature under  
541 Subsection (2) is:

542           (i) exempt from the provisions of Sections 17C-1-403 and 17C-1-404;

543           (ii) in addition to and exempt from the maximum levies allowable under Section  
544 59-2-908; and

545           (iii) exempt from the notice requirements of Section 59-2-919.

546           (c) (i) Each contributing county shall transmit quarterly to the state treasurer the  
547 portion of the multicounty assessing and collecting levy which is above the amount to which  
548 that county is entitled to under Section 59-2-1603.

549           (ii) The revenue transmitted under Subsection (3)(c)(i) shall be transmitted no later  
550 than the tenth day of the month following the end of the quarter in which the revenue is  
551 collected.

552           (iii) If revenue transmitted under Subsection (3)(c)(i) is transmitted after the tenth day  
553 of the month following the end of the quarter in which the revenue is collected, the county  
554 shall pay an interest penalty at the rate of 10% each year until the revenue is transmitted.

555           (iv) Each contributing county that transmits to the state treasurer a portion of the  
556 multicounty assessing and collecting levy in accordance with Subsection (3)(c)(i) shall levy  
557 sufficient property taxes to fund its county assessing and collecting budgets.

558           (d) The state treasurer shall deposit in the fund the:

559           (i) revenue transmitted to the fund by contributing counties;

560           (ii) interest accrued from that levy; and

561           (iii) penalties received under Subsection (3)(c)(iii).

562 (4) (a) A county may levy a county additional property tax in accordance with this  
563 Subsection (4).

564 (b) A receiving county may not receive funds from the Property Tax Valuation Agency  
565 Fund unless the receiving county levies a county additional property tax of at least .0003 per  
566 dollar of taxable value of taxable property as reported by each county.

567 (c) The county additional property tax described in Subsection (4)(a) shall be levied by  
568 the county and stated on the tax notice as a county assessing and collecting levy.

569 (d) The purpose of the county additional property tax established in this Subsection  
570 (4) is to promote the:

571 (i) accurate valuation of property;

572 (ii) establishment and maintenance of uniform assessment levels within and among  
573 counties; and

574 (iii) efficient administration of the property tax system, including the costs of  
575 assessment, collection, and distribution of property taxes.

576 (e) A county additional property tax levy established in Subsection (4)(a) is:

577 (i) exempt from the provisions of Sections 17C-1-403 and 17C-1-404;

578 (ii) in addition to and exempt from the maximum levies allowable under Section  
579 59-2-908; and

580 (iii) beginning on January 1, 2009:

581 (A) for a county that was designated as a receiving county by the state auditor during  
582 the prior calendar year, subject to the notice and public hearing provisions of Section 59-2-919  
583 only if the county additional property tax levied by that county levy is raised to a rate in excess  
584 of .0003; and

585 (B) except as provided in Subsection (4)(f), for a county that was designated as a  
586 contributing county by the state auditor during the prior calendar year, subject to the notice  
587 and public hearing provisions of Section 59-2-919.

588 (f) A county additional property tax levy in a county that was not a receiving county  
589 during the prior year shall be subject to the notice and public hearing provisions described in

590 Subsection (4)(e)(iii)(A) if the county would have been designated as a receiving county  
591 during the prior calendar year if the county had levied a county additional property tax of at  
592 least .0003 per dollar of taxable value.

593 ~~[(g) For the calendar year that begins on January 1, 2009, a contributing county of the~~  
594 ~~second or third class shall reduce its county additional property tax rate by .000005 per dollar~~  
595 ~~of taxable value.]~~

596 (5) Subject to Subsection (6), for calendar years beginning on or after January 1, 2007,  
597 the amount of the multicounty assessing and collecting levy described in this section shall be  
598 reduced by an amount equal to the difference between:

599 (a) the amount of revenue budgeted:

600 (i) by each receiving county for that calendar year; and

601 (ii) for the county additional property tax levy described in Subsection (4)(a); and

602 (b) the amount of revenue budgeted:

603 (i) by each receiving county for the calendar year immediately preceding the calendar  
604 year described in Subsection (5)(a)(i); and

605 (ii) for the county additional property tax levy described in Subsection (4)(a).

606 (6) The amounts described in the calculations required by Subsection (5) are exclusive  
607 of new growth.

608 Section 9. Section **59-2-1603** is amended to read:

609 **59-2-1603. Disbursement of monies in the Property Tax Valuation Agency Fund**  
610 **-- Use of funds.**

611 (1) The state auditor shall authorize disbursement of money from the Property Tax  
612 Valuation Agency Fund to each receiving county in accordance with this section.

613 (2) Except as provided in Section 59-2-1606 and Subsection 59-2-303.1(4), money  
614 derived from funds transmitted by contributing counties shall be disbursed pro rata to  
615 receiving counties of the second through sixth class based upon the number of adjusted parcel  
616 units in each county as determined in Subsection (3).

617 (3) (a) The state auditor shall determine the amount of each county's multicounty

618 assessing and collecting allocation in accordance with this Subsection (3).

619 ~~[(b) For a county of the first class, the county's multicounty assessing and collecting~~  
620 ~~allocation shall be 94.5% of the revenue it collects from imposing the multicounty assessing~~  
621 ~~and collecting levy.]~~

622 ~~[(c)]~~ (b) A ~~[For counties of the second through sixth class, a]~~ county's multicounty  
623 assessing and collecting allocation shall be the product of:

624 (i) the county's adjusted parcel ratio; and

625 ~~[(ii) the amount of all revenue generated statewide by the imposition of the~~  
626 ~~multicounty assessing and collecting levy.]~~

627 (ii) a base unit value of \$9.

628 ~~[(d)]~~ (c) For purposes of this section, a county's adjusted parcel ratio shall be  
629 determined by multiplying the sum of the following by the county parcel factor:

630 (i) the number of residential parcels multiplied by 2;

631 (ii) the number of commercial parcels multiplied by 4; and

632 (iii) the number of all other parcels multiplied by 1.

633 ~~[(e)]~~ (d) For purposes of this Subsection (3), the county class factor is:

634 (i) 0.8 for a county of the first class;

635 ~~[(i)]~~ (ii) 0.9 for [counties] a county of the second class;

636 ~~[(ii)]~~ (iii) 1.0 for [counties] a county of the third class;

637 ~~[(iii)]~~ (iv) 1.05 for [counties] a county of the fourth class;

638 ~~[(iv)]~~ (v) 1.15 for [counties] a county of the fifth class; and

639 ~~[(v)]~~ (vi) 1.3 for [counties] a county of the sixth class.

640 ~~[(f)]~~ (e) The commission shall provide the state auditor a list of each county's parcel  
641 counts described in Subsection (3)~~[(d)]~~(c).

642 (4) (a) A first class county shall transmit \$300,000 to the fund ~~[an amount equal to the~~  
643 ~~greater of the following:];~~

644 ~~[(i) \$250,000; or]~~

645 ~~[(ii) the lesser of the following:]~~

646            [~~(A) 5.5% of the revenue it collects from imposing the multicounty assessing and~~  
647 ~~collecting levy during a calendar year; or]~~

648            [~~(B) \$500,000.]~~

649            (b) A second, third, or fourth class contributing county shall transmit to the fund an  
650 amount equal to the following:

651            (i) if the contributing county's surplus revenue is equal to or less than the contributing  
652 county's minimum county contribution, the minimum county contribution;

653            (ii) if the contributing county's surplus revenue is more than the county's minimum  
654 county contribution and less than the county's maximum county contribution, the contributing  
655 county's surplus revenue; or

656            (iii) if the contributing county's surplus revenue is equal to or greater than the county's  
657 maximum county contribution, the contributing county's maximum county contribution.

658            (5) Money in the Property Tax Valuation Agency Fund on the 10th day of the month  
659 following the end of the quarter in which the revenue is collected shall, upon authorization by  
660 the state auditor, be transmitted by the state treasurer according to the disbursement formula  
661 determined under Subsection (3) no later than five working days after the 10th day of the  
662 month following the end of the quarter in which the revenue is collected.

663            (6) If money in the Property Tax Valuation Agency Fund on the 10th day of the month  
664 following the end of the quarter in which the revenue is collected is not transmitted to a  
665 receiving county within five working days of the 10th day of that month, except as provided  
666 for in Subsection (5), income from the investment of that money shall be:

667            (a) deposited in and become part of the Property Tax Valuation Agency Fund; and

668            (b) disbursed to the receiving county in the next quarter.

669            (7) A county shall use money disbursed from the Property Tax Valuation Agency Fund  
670 for:

671            (a) establishing and maintaining accurate property valuations and uniform assessment  
672 levels as required by Section 59-2-103; and

673            (b) improving the efficiency of the property tax system.



674 ~~[(8) If collections from the statewide imposition of the multicounty assessing and~~  
675 ~~collecting levy are less than the amount of revenue the levy was expected to generate in a~~  
676 ~~calendar year, the state auditor shall pro rata:]~~

677 ~~[(a) decrease each receiving county's multicounty assessing and collecting allocation;~~  
678 ~~and]~~

679 ~~[(b) for each contributing county that did not transmit its maximum county~~  
680 ~~contribution to the fund during the same calendar year, increase the contributing county's~~  
681 ~~contribution to the fund:]~~

682 (8) The state auditor shall reallocate any surplus or deficit from the allocation under  
683 Subsection (3) between all receiving counties based on their adjusted parcel counts.

684 (9) A receiving county may not receive more than \$200,000 total from an allocation  
685 under Subsection (3).

686 ~~[(9)]~~ (10) If money remains in the fund after all allocations have been distributed to  
687 receiving counties in a calendar year, the state auditor shall retain the money in the fund for  
688 distribution the following calendar year.

689 Section 10. Section **59-2-1606** is amended to read:

690 **59-2-1606. CAMA system funding for counties -- Disbursements to the**  
691 **Multicounty Appraisal Trust -- Use of funds.**

692 (1) As used in this section:

693 (a) "CAMA" means computer assisted mass appraisal.

694 (b) "CAMA fee rate" means:

695 (i) \$1.50 for the calendar year that begins on January 1, 2009; and

696 (ii) for a calendar year beginning on or after January 1, 2010, the \$1.50 described in  
697 Subsection (1)(b)(i) may be increased each year up to 2% at the discretion of the Multicounty  
698 Appraisal Trust.

699 (c) (i) "County parcel count" means the total number of residential parcels,  
700 commercial parcels, and other parcels within a county.

701 (ii) "County parcel count" does not include a county's parcel factor as described in

702 Subsection 59-2-1603(3)~~(d)~~(c).

703 (d) "Factored parcel count" means the product of:

704 (i) a county's parcel count; and

705 (ii) the county's class factor described in Subsection 59-2-1603(3)~~(e)~~(d).

706 (e) "Multicounty Appraisal Trust" means the Multicounty Appraisal Trust created by  
707 interlocal agreement by all 29 counties in the state.

708 (2) For a calendar year beginning on or after January 1, 2009, before determining the  
709 amount of each county's multicounty assessing and collecting allocation in accordance with  
710 Subsection 59-2-1603(3), the state auditor shall disburse to the Multicounty Appraisal Trust  
711 an amount of revenue equal to the product of:

712 (a) the sum of the factored parcel counts for all second through sixth class counties;  
713 and

714 (b) the CAMA fee rate.

715 (3) (a) The funds described in Subsection (2) shall be used to provide funding for a  
716 statewide CAMA system that will promote:

717 (i) the accurate valuation of property;

718 (ii) the establishment and maintenance of uniform assessment levels among counties  
719 within the state; and

720 (iii) efficient administration of the property tax system, including the costs of  
721 assessment, collection, and distribution of property taxes.

722 (b) The Multicounty Appraisal Trust shall determine which projects shall be funded  
723 and oversee the administration of a statewide CAMA system.

724 Section 11. Section **78B-5-503** is amended to read:

725 **78B-5-503. Homestead exemption -- Definitions -- Excepted obligations -- Water**  
726 **rights and interests -- Conveyance -- Sale and disposition -- Property right for federal**  
727 **tax purposes.**

728 (1) For purposes of this section:

729 (a) "Household" means a group of persons related by blood or marriage living together

730 in the same dwelling as an economic unit, sharing furnishings, facilities, accommodations, and  
731 expenses.

732 (b) "Mobile home" is as defined in Section 57-16-3.

733 (c) "Primary personal residence" means a dwelling or mobile home, and the land  
734 surrounding it, not exceeding one acre, as is reasonably necessary for the use of the dwelling  
735 or mobile home, in which the individual and the individual's household reside.

736 (d) "Property" means:

737 (i) a primary personal residence;

738 (ii) real property; or

739 (iii) an equitable interest in real property awarded to a person in a divorce decree by a  
740 court.

741 (2) (a) An individual is entitled to a homestead exemption consisting of property in  
742 this state in an amount not exceeding:

743 (i) \$5,000 in value if the property consists in whole or in part of property which is not  
744 the primary personal residence of the individual; or

745 (ii) \$20,000 in value if the property claimed is the primary personal residence of the  
746 individual.

747 (b) If the property claimed as exempt is jointly owned, each joint owner is entitled to a  
748 homestead exemption; however

749 (i) for property exempt under Subsection (2)(a)(i), the maximum exemption may not  
750 exceed \$10,000 per household; or

751 (ii) for property exempt under Subsection (2)(a)(ii), the maximum exemption may not  
752 exceed \$40,000 per household.

753 (c) A person may claim a homestead exemption in either or both of the following:

754 (i) one or more parcels of real property together with appurtenances and  
755 improvements; or

756 (ii) a mobile home in which the claimant resides.

757 (d) A person may not claim a homestead exemption for property that the person

758 acquired as a result of criminal activity.

759 (3) A homestead is exempt from judicial lien and from levy, execution, or forced sale  
760 except for:

761 (a) statutory liens for property taxes and assessments on the property;

762 (b) security interests in the property and judicial liens for debts created for the  
763 purchase price of the property;

764 (c) judicial liens obtained on debts created by failure to provide support or  
765 maintenance for dependent children; and

766 (d) consensual liens obtained on debts created by mutual contract.

767 (4) (a) Except as provided in Subsection (4)(b), water rights and interests, either in the  
768 form of corporate stock or otherwise, owned by the homestead claimant are exempt from  
769 execution to the extent that those rights and interests are necessarily employed in supplying  
770 water to the homestead for domestic and irrigating purposes.

771 (b) Those water rights and interests are not exempt from calls or assessments and sale  
772 by the corporations issuing the stock.

773 (5) (a) When a homestead is conveyed by the owner of the property, the conveyance  
774 may not subject the property to any lien to which it would not be subject in the hands of the  
775 owner.

776 (b) The proceeds of any sale, to the amount of the exemption existing at the time of  
777 sale, is exempt from levy, execution, or other process for one year after the receipt of the  
778 proceeds by the person entitled to the exemption.

779 (6) The sale and disposition of one homestead does not prevent the selection or  
780 purchase of another.

781 (7) For purposes of any claim or action for taxes brought by the United States Internal  
782 Revenue Service, a homestead exemption claimed on real property in this state is considered  
783 to be a property right.