

**JOINT RESOLUTION PROHIBITING  
PROPERTY TRANSFER TAX**

2010 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Gage Froerer**

Senate Sponsor: \_\_\_\_\_

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**LONG TITLE**

**General Description:**

This joint resolution of the Legislature proposes to amend the Utah Constitution to amend a provision relating to taxation.

**Highlighted Provisions:**

This resolution proposes to amend the Utah Constitution to:

- ▶ prohibit the imposition of a tax on the sale or transfer of real property or on the financing associated with a sale or transfer.

**Special Clauses:**

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

This resolution provides a contingent effective date of January 1, 2011 for this proposal.

**Utah Constitution Sections Affected:**

AMENDS:

**ARTICLE XIII, SECTION 4**

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*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 4, to read:

**Article XIII, Section 4. [Other taxes.]**

(1) [~~Nothing~~] (a) Except as provided in Subsection (1)(b), nothing in this Constitution



28 may be construed to prevent the Legislature from providing by statute for taxes other than the  
29 property tax and for deductions, exemptions, and offsets from those other taxes.

30 (b) (i) A tax may not be imposed on a sale or transfer of real property or on financing  
31 associated with a sale or transfer of real property.

32 (ii) Subsection (1)(b)(i) does not prohibit the taxation of:

33 (A) income realized because of a sale or transfer of real property; or

34 (B) interest or other income realized:

35 (I) from financing associated with a sale or transfer of real property; and

36 (II) by the provider of the financing.

37 (2) In a statute imposing an income tax, the Legislature may:

38 (a) define the amount on which the tax is imposed by reference to a provision of the  
39 laws of the United States as from time to time amended; and

40 (b) modify or provide exemptions to a provision referred to in Subsection (2)(a).

41 **Section 2. Submittal to voters.**

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

44 **Section 3. Effective date.**

45 If the amendment proposed by this joint resolution is approved by a majority of those  
46 voting on it at the next regular general election, the amendment shall take effect on January 1,  
47 2011.

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**Legislative Review Note**

**as of 1-4-10 2:14 PM**

**Office of Legislative Research and General Counsel**

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**H.J.R. 7 - Joint Resolution Prohibiting Property Transfer Tax**

**Fiscal Note**

2010 General Session  
State of Utah

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**State Impact**

Publication and distribution costs to put this resolution on the ballot will require a one-time FY 2011 appropriation of \$14,700 from the General Fund.

	<u>FY 2010 Approp.</u>	<u>FY 2011 Approp.</u>	<u>FY 2012 Approp.</u>	<u>FY 2010 Revenue</u>	<u>FY 2011 Revenue</u>	<u>FY 2012 Revenue</u>
General Fund, One-Time	\$0	\$14,700	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$0</b>	<b>\$14,700</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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**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.