

305 or an electrical corporation, where the gas or electricity is sold or furnished to any member or
 306 consumers within the state for domestic, commercial, or industrial use. Public utility also
 307 means the operating property of any entity or person defined under Section 54-2-1 except water
 308 corporations.

309 (30) "Real estate" or "real property" includes:

310 (a) the possession of, claim to, ownership of, or right to the possession of land;

311 (b) all mines, minerals, and quarries in and under the land, all timber belonging to
 312 individuals or corporations growing or being on the lands of this state or the United States, and
 313 all rights and privileges appertaining to these; and

314 (c) improvements.

314a **H→ (31) "Relationship with an owner of the property's land surface rights" means a**
 314b **relationship described in Subsection 267(b), Internal Revenue Code:**

314c **(a) except that notwithstanding Subsection 267(b), Internal Revenue Code,**
 314d **the term [1%] 25% shall be substituted for the term 50% in Subsection 267(b),**
 314e **Internal Revenue Code; and**

314f **(b) using the ownership rules of Subsection 267(c), Internal Revenue Code, for**
 314g **determining the ownership of stock.**

315 ~~[(31)] (32) ←H~~ "Residential property," for the purposes of the reductions and adjustments under
 316 this chapter, means any property used for residential purposes as a primary residence. It does
 317 not include property used for transient residential use or condominiums used in rental pools.

318 **H→ [(32)] (33) ←H** "Split estate mineral rights owner" means a person who:

319 (a) has a legal right to extract a mineral from property;

320 (b) does not hold more than a **H→ [1%] 25% ←H** interest in:

321 (i) the **S→ [property's] ←S** land surface rights **S→ of the property where the wellhead is**
 321a **located ←S** ; or

322 (ii) an entity with an ownership interest in the **S→ [property's] ←S** land surface rights
 322a **S→ of the property where the wellhead is located ←S** ;

323 (c) is not an entity in which the owner of the **S→ [property's] ←S** land surface rights
 323a **S→ of the property where the wellhead is located ←S** holds more
 324 than a **H→ [1%] 25% ←H** interest; and

325 (d) does not have a relationship with an owner of the **S→ [property's] ←S** land surface
 325a rights **S→ of the property where the wellhead is located ←S** **H→ [that**
 326 **is a relationship described in Subsection 267(b), Internal Revenue Code, except that the term**
 327 **1% shall be substituted for the term 50% in Subsection 267(b), Internal Revenue Code]** **←H** .

328 ~~[(32)] H→ [(33)] (34) ←H~~ (a) "State-assessed commercial vehicle" means:

329 (i) any commercial vehicle, trailer, or semitrailer which operates interstate or intrastate
 330 to transport passengers, freight, merchandise, or other property for hire; or

331 (ii) any commercial vehicle, trailer, or semitrailer which operates interstate and
 332 transports the vehicle owner's goods or property in furtherance of the owner's commercial

336 [~~(33)~~] ~~H~~→ [~~(34)~~] (35) ←~~H~~ "Taxable value" means fair market value less any applicable
 336a reduction
 337 allowed for residential property under Section 59-2-103.

338 [~~(34)~~] ~~H~~→ [~~(35)~~] (36) ←~~H~~ "Tax area" means a geographic area created by the overlapping
 338a boundaries
 339 of one or more taxing entities.

340 [~~(35)~~] ~~H~~→ [~~(36)~~] (37) ←~~H~~ "Taxing entity" means any county, city, town, school district,
 340a special taxing
 341 district, local district under Title 17B, Limited Purpose Local Government Entities - Local
 342 Districts, or other political subdivision of the state with the authority to levy a tax on property.

343 [~~(36)~~] ~~H~~→ [~~(37)~~] (38) ←~~H~~ "Tax roll" means a permanent record of the taxes charged on
 343a property, as
 344 extended on the assessment roll and may be maintained on the same record or records as the
 345 assessment roll or may be maintained on a separate record properly indexed to the assessment
 346 roll. It includes tax books, tax lists, and other similar materials.

347 Section 2. Section **59-2-503** is amended to read:

348 **59-2-503. Qualifications for agricultural use assessment.**

349 (1) For general property tax purposes, land may be assessed on the basis of the value
 350 that the land has for agricultural use if the land:

351 (a) is not less than five contiguous acres in area, except that land may be assessed on
 352 the basis of the value that the land has for agricultural use:

353 (i) if:

354 (A) the land is devoted to agricultural use in conjunction with other eligible acreage;
 355 and

356 (B) the land and the other eligible acreage described in Subsection (1)(a)(i)(A) have
 357 identical legal ownership; or

358 (ii) as provided under Subsection (4); and

359 (b) except as provided in Subsection (5) or (6):

360 (i) is actively devoted to agricultural use; and

361 (ii) has been actively devoted to agricultural use for at least two successive years
 362 immediately preceding the tax year for which the land is being assessed under this part.

363 (2) In determining whether land is actively devoted to agricultural use, production per

491 rollback tax:

492 (a) (i) for the portion of the land required by a split estate mineral rights owner to
 493 extract a mineral if, after the split estate mineral rights owner exercises the right to extract a
 494 mineral, the ~~H~~→ **portion of the** ~~←H~~ property ~~H~~→ **that remains in agricultural production** ~~←H~~
 494a still meets the acreage requirements of Section 59-2-503 for assessment
 495 under this part; or

496 (ii) for the entire acreage that would otherwise qualify for assessment under this part if,
 497 after the split estate mineral rights owner exercises the right to extract a mineral, the ~~H~~→ [property]
 497a **entire acreage that would otherwise qualify for assessment under this part** ~~←H~~
 498 no longer meets the acreage requirements of Section 59-2-503 for assessment under this part
 499 only due to the extraction of the mineral by the split estate mineral rights owner; and

500 (b) for the period of time that the property described in Subsection (10)(a) is ineligible
 501 for assessment under this part due to the extraction of a mineral by the split estate mineral
 502 rights owner.

503 [~~(10)~~] (11) (a) Subject to Subsection [~~(10)~~] (11)(b), an owner of land may appeal to the
 504 county board of equalization:

505 (i) a decision by a county assessor to withdraw land from assessment under this part; or
 506 (ii) the imposition of a rollback tax under this section.

507 (b) An owner shall file an appeal under Subsection [~~(10)~~] (11)(a) no later than 45 days
 508 after the day on which the county assessor mails the notice required by Subsection (5).

509 **Section 4. Retrospective operation.**

510 This bill has retrospective operation to January 1, 2013.