

26 78B-5-505, as renumbered and amended by Laws of Utah 2008, Chapter 3

27 78B-5-506, as renumbered and amended by Laws of Utah 2008, Chapter 3

28 78B-5-513, as renumbered and amended by Laws of Utah 2008, Chapter 3

29

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

31 Section 1. Section 78B-5-503 is amended to read:

32 **78B-5-503. Homestead exemption -- Definitions -- Excepted obligations -- Water**
33 **rights and interests -- Conveyance -- Sale and disposition -- Property right for federal tax**
34 **purposes.**

35 (1) For purposes of this section:

36 (a) "Household" means a group of persons related by blood or marriage living together
37 in the same dwelling as an economic unit, sharing furnishings, facilities, accommodations, and
38 expenses.

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

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

43 (d) "Property" means:

44 (i) a primary personal residence;

45 (ii) real property; or

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

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

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

52 (ii) [~~\$20,000~~] ~~H~~→ ~~S~~→ [F]\$30,000 [F] [~~\$40,000~~] ←~~S~~ ←~~H~~ in value if the property claimed is
the primary

52a personal
53 residence of the individual.

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

56 (i) for property exempt under Subsection (2)(a)(i), the maximum exemption may not

57 exceed \$10,000 per household; or

58 (ii) for property exempt under Subsection (2)(a)(ii), the maximum exemption may not
59 exceed [~~\$40,000~~ ~~Ĥ~~→ ~~Ŝ~~→ [~~]~~ ~~\$60,000~~ [~~]~~ [~~\$80,000~~ ~~←~~ ~~Ŝ~~ ~~←~~ ~~Ĥ~~] per household.

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

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

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

64 (d) A person may not claim a homestead exemption for property that the person
65 acquired as a result of criminal activity.

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

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

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

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

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

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

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

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

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

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

150 filing of a bankruptcy petition in the amount of 1/24 of the Utah State annual median family
 151 income for the household size of the filing individual as determined by the Utah State annual
 152 Median Family Income reported by the United States Census Bureau and as adjusted based
 153 upon the Consumer Price Index for All Urban Consumers for individual whose unpaid earnings
 154 are paid more often than once a month or, if unpaid earnings are not paid more often than once
 155 a month, then in the amount of 1/12 of the Utah State annual median family income for the
 156 household size of the individual as determined by the Utah State Annual Median Family
 157 Income reported by the United States Census Bureau and as adjusted based upon the Consumer
 158 Price Index for All Urban Consumers.

159 (b) The exemption granted by Subsection (1)(a)(xiv) does not apply to:

160 (i) an alternate payee under a qualified domestic relations order, as those terms are
 161 defined in Section 414(p), Internal Revenue Code; or

162 (ii) amounts contributed or benefits accrued by or on behalf of a debtor within one year
 163 before the debtor files for bankruptcy. This may not include amounts directly rolled over from
 164 other funds which are exempt from attachment under this section.

165 (2) The exemptions in Subsections (1)(a)(xi), (xii), and (xiii) do not apply to proceeds
 166 and avails of any matured or unmatured life insurance contract assigned or pledged as collateral
 167 for repayment of a loan or other legal obligation.

168 (3) Exemptions under this section do not limit items that may be claimed as exempt
 169 under Section 78B-5-506.

170 Section 3. Section **78B-5-506** is amended to read:

171 **78B-5-506. Value of exempt property -- Exemption of implements, professional**
 172 **books, tools, and motor vehicles.**

173 (1) An individual is entitled to exemption of the following property up to an aggregate
 174 value of items in each subsection of [~~\$500~~] ~~Ĥ~~→ ~~Ŝ~~→ [~~F~~]\$1,000 [~~F~~] [~~\$2,500~~] ~~←Ŝ~~ ~~←Ĥ~~ :

175 (a) sofas, chairs, and related furnishings reasonably necessary for one household;

176 (b) dining and kitchen tables and chairs reasonably necessary for one household;

177 (c) animals, books, and musical instruments, if reasonably held for the personal use of
 178 the individual or [~~his~~] the individual's dependents; [~~and~~]

179 (d) heirlooms or other items of particular sentimental value to the individual[~~;~~]; and

180 (e) firearms and ammunition not included in other exemption categories in the amount

181 of \$250 per individual, and not more than \$500 per household.

182 (2) An individual is entitled to an exemption, not exceeding [~~\$3,500~~] \$5,000 in
 183 aggregate value, of implements, professional books, or tools of [~~his~~] the individual's trade,
 184 including motor vehicles to which no other exemption has been applied, and that are actually
 185 used by the individual in the individual's principal business, trade, or profession.

186 (3) (a) As used in this Subsection (3), "motor vehicle" does not include any motor
 187 vehicle designed for or used primarily for recreational purposes, such as:

188 (i) an off-highway vehicle as defined in Section 41-22-2, except a motorcycle the
 189 individual regularly uses for daily transportation; or

190 (ii) a recreational vehicle as defined in Section 13-14-102, except a van the individual
 191 regularly uses for daily transportation.

192 (b) An individual is entitled to an exemption, not exceeding [~~\$2,500~~]

192a ~~H~~→ ~~S~~→ [~~F~~]~~\$3,000~~ [~~F~~] [~~\$5,000~~] ←~~S~~ ←~~H~~ in value,
 193 of one motor vehicle.

194 (4) This section does not affect property exempt under Section 78B-5-505.

195 Section 4. Section **78B-5-513** is amended to read:

196 **78B-5-513. Exemption provisions applicable in bankruptcy proceedings.**

197 [~~No~~] An individual may not exempt from the property of the estate in any bankruptcy
 198 proceeding the property specified in Subsection (d) of Section 522 of the Bankruptcy Reform
 199 Act (Public Law 95-598), [~~except as expressly permitted under this part~~] unless the individual
 200 is a nonresident of this state and has been for the 180 days immediately preceding filing for
 201 bankruptcy.