

PROPERTY TAXATION AMENDMENTS

2016 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jeremy A. Peterson

Senate Sponsor: _____

LONG TITLE

General Description:

This bill modifies the Property Tax Act to address providing notices.

Highlighted Provisions:

This bill:

- ▶ permits the county auditor to provide certain notices by electronic mail if certain conditions are met; and
- ▶ makes conforming and technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

59-2-102, as last amended by Laws of Utah 2015, Chapters 133, 198, and 287

59-2-918.5, as last amended by Laws of Utah 2014, Chapter 256

59-2-918.6, as last amended by Laws of Utah 2009, Chapter 204

59-2-919.1, as last amended by Laws of Utah 2014, Chapter 256, and further amended by Revisor Instructions, Laws of Utah 2014, Chapter 256

59-2-1004, as last amended by Laws of Utah 2013, Chapter 180



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

29 Section 1. Section **59-2-102** is amended to read:

30 **59-2-102. Definitions.**

31 As used in this chapter and title:

32 (1) "Aerial applicator" means aircraft or rotorcraft used exclusively for the purpose of
33 engaging in dispensing activities directly affecting agriculture or horticulture with an
34 airworthiness certificate from the Federal Aviation Administration certifying the aircraft or
35 rotorcraft's use for agricultural and pest control purposes.

36 (2) "Air charter service" means an air carrier operation which requires the customer to
37 hire an entire aircraft rather than book passage in whatever capacity is available on a scheduled
38 trip.

39 (3) "Air contract service" means an air carrier operation available only to customers
40 who engage the services of the carrier through a contractual agreement and excess capacity on
41 any trip and is not available to the public at large.

42 (4) "Aircraft" [~~is~~ as] means the same as that term is defined in Section 72-10-102.

43 (5) (a) Except as provided in Subsection (5)(b), "airline" means an air carrier that:

44 (i) operates:

45 (A) on an interstate route; and

46 (B) on a scheduled basis; and

47 (ii) offers to fly one or more passengers or cargo on the basis of available capacity on a
48 regularly scheduled route.

49 (b) "Airline" does not include an:

50 (i) air charter service; or

51 (ii) air contract service.

52 (6) "Assessment roll" means a permanent record of the assessment of property as
53 assessed by the county assessor and the commission and may be maintained manually or as a
54 computerized file as a consolidated record or as multiple records by type, classification, or
55 categories.

56 (7) (a) "Certified revenue levy" means a property tax levy that provides an amount of
57 ad valorem property tax revenue equal to the sum of:

58 (i) the amount of ad valorem property tax revenue to be generated statewide in the

59 previous year from imposing a school minimum basic tax rate, as specified in Section
60 53A-17a-135, or multicounty assessing and collecting levy, as specified in Section 59-2-1602;
61 and

62 (ii) the product of:

63 (A) new growth, as defined in:

64 (I) Section 59-2-924; and

65 (II) rules of the commission; and

66 (B) the school minimum basic tax rate or multicounty assessing and collecting levy

67 certified by the commission for the previous year.

68 (b) For purposes of this Subsection (7), "ad valorem property tax revenue" does not
69 include property tax revenue received by a taxing entity from personal property that is:

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

71 (ii) semiconductor manufacturing equipment.

72 (c) For purposes of calculating the certified revenue levy described in this Subsection
73 (7), the commission shall use:

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

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

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

79 (8) "County-assessed commercial vehicle" means:

80 (a) any commercial vehicle, trailer, or semitrailer which is not apportioned under
81 Section 41-1a-301 and is not operated interstate to transport the vehicle owner's goods or
82 property in furtherance of the owner's commercial enterprise;

83 (b) any passenger vehicle owned by a business and used by its employees for
84 transportation as a company car or vanpool vehicle; and

85 (c) vehicles that are:

86 (i) especially constructed for towing or wrecking, and that are not otherwise used to
87 transport goods, merchandise, or people for compensation;

88 (ii) used or licensed as taxicabs or limousines;

89 (iii) used as rental passenger cars, travel trailers, or motor homes;

- 90 (iv) used or licensed in this state for use as ambulances or hearses;
- 91 (v) especially designed and used for garbage and rubbish collection; or
- 92 (vi) used exclusively to transport students or their instructors to or from any private,
- 93 public, or religious school or school activities.

94 (9) (a) Except as provided in Subsection (9)(b), for purposes of Section 59-2-801,
95 "designated tax area" means a tax area created by the overlapping boundaries of only the
96 following taxing entities:

- 97 (i) a county; and
- 98 (ii) a school district.

99 (b) Notwithstanding Subsection (9)(a), "designated tax area" includes a tax area created
100 by the overlapping boundaries of:

- 101 (i) the taxing entities described in Subsection (9)(a); and
- 102 (ii) (A) a city or town if the boundaries of the school district under Subsection (9)(a)
103 and the boundaries of the city or town are identical; or
- 104 (B) a special service district if the boundaries of the school district under Subsection
105 (9)(a) are located entirely within the special service district.

106 (10) "Eligible judgment" means a final and unappealable judgment or order under
107 Section 59-2-1330:

108 (a) that became a final and unappealable judgment or order no more than 14 months
109 prior to the day on which the notice required by Section 59-2-919.1 is required to be mailed
110 provided; and

111 (b) for which a taxing entity's share of the final and unappealable judgment or order is
112 greater than or equal to the lesser of:

- 113 (i) \$5,000; or
- 114 (ii) 2.5% of the total ad valorem property taxes collected by the taxing entity in the
115 previous fiscal year.

116 (11) (a) "Escaped property" means any property, whether personal, land, or any
117 improvements to the property, subject to taxation and is:

118 (i) inadvertently omitted from the tax rolls, assigned to the incorrect parcel, or assessed
119 to the wrong taxpayer by the assessing authority;

120 (ii) undervalued or omitted from the tax rolls because of the failure of the taxpayer to

121 comply with the reporting requirements of this chapter; or

122 (iii) undervalued because of errors made by the assessing authority based upon
123 incomplete or erroneous information furnished by the taxpayer.

124 (b) Property that is undervalued because of the use of a different valuation
125 methodology or because of a different application of the same valuation methodology is not
126 "escaped property."

127 (12) "Fair market value" means the amount at which property would change hands
128 between a willing buyer and a willing seller, neither being under any compulsion to buy or sell
129 and both having reasonable knowledge of the relevant facts. For purposes of taxation, "fair
130 market value" shall be determined using the current zoning laws applicable to the property in
131 question, except in cases where there is a reasonable probability of a change in the zoning laws
132 affecting that property in the tax year in question and the change would have an appreciable
133 influence upon the value.

134 (13) "Farm machinery and equipment," for purposes of the exemption provided under
135 Section 59-2-1101, means tractors, milking equipment and storage and cooling facilities, feed
136 handling equipment, irrigation equipment, harvesters, choppers, grain drills and planters, tillage
137 tools, scales, combines, spreaders, sprayers, haying equipment, including balers and cubers,
138 and any other machinery or equipment used primarily for agricultural purposes; but does not
139 include vehicles required to be registered with the Motor Vehicle Division or vehicles or other
140 equipment used for business purposes other than farming.

141 (14) "Geothermal fluid" means water in any form at temperatures greater than 120
142 degrees centigrade naturally present in a geothermal system.

143 (15) "Geothermal resource" means:

144 (a) the natural heat of the earth at temperatures greater than 120 degrees centigrade;
145 and

146 (b) the energy, in whatever form, including pressure, present in, resulting from, created
147 by, or which may be extracted from that natural heat, directly or through a material medium.

148 (16) (a) "Goodwill" means:

149 (i) acquired goodwill that is reported as goodwill on the books and records:

150 (A) of a taxpayer; and

151 (B) that are maintained for financial reporting purposes; or

152 (ii) the ability of a business to:
153 (A) generate income:
154 (I) that exceeds a normal rate of return on assets; and
155 (II) resulting from a factor described in Subsection (16)(b); or
156 (B) obtain an economic or competitive advantage resulting from a factor described in
157 Subsection (16)(b).

158 (b) The following factors apply to Subsection (16)(a)(ii):

- 159 (i) superior management skills;
- 160 (ii) reputation;
- 161 (iii) customer relationships;
- 162 (iv) patronage; or
- 163 (v) a factor similar to Subsections (16)(b)(i) through (iv).

164 (c) "Goodwill" does not include:

- 165 (i) the intangible property described in Subsection (20)(a) or (b);
- 166 (ii) locational attributes of real property, including:
 - 167 (A) zoning;
 - 168 (B) location;
 - 169 (C) view;
 - 170 (D) a geographic feature;
 - 171 (E) an easement;
 - 172 (F) a covenant;
 - 173 (G) proximity to raw materials;
 - 174 (H) the condition of surrounding property; or
 - 175 (I) proximity to markets;
- 176 (iii) value attributable to the identification of an improvement to real property,
177 including:

- 178 (A) reputation of the designer, builder, or architect of the improvement;
- 179 (B) a name given to, or associated with, the improvement; or
- 180 (C) the historic significance of an improvement; or
- 181 (iv) the enhancement or assemblage value specifically attributable to the interrelation
182 of the existing tangible property in place working together as a unit.

- 183 (17) "Governing body" means:
- 184 (a) for a county, city, or town, the legislative body of the county, city, or town;
- 185 (b) for a local district under Title 17B, Limited Purpose Local Government Entities -
186 Local Districts, the local district's board of trustees;
- 187 (c) for a school district, the local board of education; or
- 188 (d) for a special service district under Title 17D, Chapter 1, Special Service District
189 Act:
- 190 (i) the legislative body of the county or municipality that created the special service
191 district, to the extent that the county or municipal legislative body has not delegated authority
192 to an administrative control board established under Section 17D-1-301; or
- 193 (ii) the administrative control board, to the extent that the county or municipal
194 legislative body has delegated authority to an administrative control board established under
195 Section 17D-1-301.
- 196 (18) (a) For purposes of Section 59-2-103:
- 197 (i) "household" means the association of persons who live in the same dwelling,
198 sharing its furnishings, facilities, accommodations, and expenses; and
- 199 (ii) "household" includes married individuals, who are not legally separated, that have
200 established domiciles at separate locations within the state.
- 201 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
202 commission may make rules defining the term "domicile."
- 203 (19) (a) Except as provided in Subsection (19)(c), "improvement" means a building,
204 structure, fixture, fence, or other item that is permanently attached to land, regardless of
205 whether the title has been acquired to the land, if:
- 206 (i) (A) attachment to land is essential to the operation or use of the item; and
207 (B) the manner of attachment to land suggests that the item will remain attached to the
208 land in the same place over the useful life of the item; or
- 209 (ii) removal of the item would:
- 210 (A) cause substantial damage to the item; or
211 (B) require substantial alteration or repair of a structure to which the item is attached.
- 212 (b) "Improvement" includes:
- 213 (i) an accessory to an item described in Subsection (19)(a) if the accessory is:

- 214 (A) essential to the operation of the item described in Subsection (19)(a); and
- 215 (B) installed solely to serve the operation of the item described in Subsection (19)(a);
- 216 and
- 217 (ii) an item described in Subsection (19)(a) that:
- 218 (A) is temporarily detached from the land for repairs; and
- 219 (B) remains located on the land.
- 220 (c) Notwithstanding Subsections (19)(a) and (b), "improvement" does not include:
- 221 (i) an item considered to be personal property pursuant to rules made in accordance
- 222 with Section [59-2-107](#);
- 223 (ii) a moveable item that is attached to land:
- 224 (A) for stability only; or
- 225 (B) for an obvious temporary purpose;
- 226 (iii) (A) manufacturing equipment and machinery; or
- 227 (B) essential accessories to manufacturing equipment and machinery;
- 228 (iv) an item attached to the land in a manner that facilitates removal without substantial
- 229 damage to:
- 230 (A) the land; or
- 231 (B) the item; or
- 232 (v) a transportable factory-built housing unit as defined in Section [59-2-1502](#) if that
- 233 transportable factory-built housing unit is considered to be personal property under Section
- 234 [59-2-1503](#).
- 235 (20) "Intangible property" means:
- 236 (a) property that is capable of private ownership separate from tangible property,
- 237 including:
- 238 (i) money;
- 239 (ii) credits;
- 240 (iii) bonds;
- 241 (iv) stocks;
- 242 (v) representative property;
- 243 (vi) franchises;
- 244 (vii) licenses;

- 245 (viii) trade names;
- 246 (ix) copyrights; and
- 247 (x) patents;
- 248 (b) a low-income housing tax credit;
- 249 (c) goodwill; or
- 250 (d) a renewable energy tax credit or incentive, including:
- 251 (i) a federal renewable energy production tax credit under Section 45, Internal Revenue
- 252 Code;
- 253 (ii) a federal energy credit for qualified renewable electricity production facilities under
- 254 Section 48, Internal Revenue Code;
- 255 (iii) a federal grant for a renewable energy property under American Recovery and
- 256 Reinvestment Act of 2009, Pub. L. No. 111-5, Section 1603; and
- 257 (iv) a tax credit under Subsection 59-7-614(5).
- 258 (21) "Livestock" means:
- 259 (a) a domestic animal;
- 260 (b) a fish;
- 261 (c) a fur-bearing animal;
- 262 (d) a honeybee; or
- 263 (e) poultry.
- 264 (22) "Low-income housing tax credit" means:
- 265 (a) a federal low-income housing tax credit under Section 42, Internal Revenue Code;
- 266 or
- 267 (b) a low-income housing tax credit under:
- 268 (i) Section 59-7-607; or
- 269 (ii) Section 59-10-1010.
- 270 (23) "Metalliferous minerals" includes gold, silver, copper, lead, zinc, and uranium.
- 271 (24) "Mine" means a natural deposit of either metalliferous or nonmetalliferous
- 272 valuable mineral.
- 273 (25) "Mining" means the process of producing, extracting, leaching, evaporating, or
- 274 otherwise removing a mineral from a mine.
- 275 (26) (a) "Mobile flight equipment" means tangible personal property that is:

276 (i) owned or operated by an:
277 (A) air charter service;
278 (B) air contract service; or
279 (C) airline; and
280 (ii) (A) capable of flight;
281 (B) attached to an aircraft that is capable of flight; or
282 (C) contained in an aircraft that is capable of flight if the tangible personal property is
283 intended to be used:
284 (I) during multiple flights;
285 (II) during a takeoff, flight, or landing; and
286 (III) as a service provided by an air charter service, air contract service, or airline.
287 (b) (i) "Mobile flight equipment" does not include a spare part other than a spare
288 engine that is rotated:
289 (A) at regular intervals; and
290 (B) with an engine that is attached to the aircraft.
291 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
292 commission may make rules defining the term "regular intervals."
293 (27) "Nonmetalliferous minerals" includes, but is not limited to, oil, gas, coal, salts,
294 sand, rock, gravel, and all carboniferous materials.
295 (28) "Part-year residential property" means property that is not residential property on
296 January 1 of a calendar year but becomes residential property after January 1 of the calendar
297 year.
298 (29) "Personal property" includes:
299 (a) every class of property as defined in Subsection (30) that is the subject of
300 ownership and not included within the meaning of the terms "real estate" and "improvements";
301 (b) gas and water mains and pipes laid in roads, streets, or alleys;
302 (c) bridges and ferries;
303 (d) livestock; and
304 (e) outdoor advertising structures as defined in Section [72-7-502](#).
305 (30) (a) "Property" means property that is subject to assessment and taxation according
306 to its value.

307 (b) "Property" does not include intangible property as defined in this section.

308 (31) "Public utility," for purposes of this chapter, means the operating property of a
309 railroad, gas corporation, oil or gas transportation or pipeline company, coal slurry pipeline
310 company, electrical corporation, telephone corporation, sewerage corporation, or heat
311 corporation where the company performs the service for, or delivers the commodity to, the
312 public generally or companies serving the public generally, or in the case of a gas corporation
313 or an electrical corporation, where the gas or electricity is sold or furnished to any member or
314 consumers within the state for domestic, commercial, or industrial use. Public utility also
315 means the operating property of any entity or person defined under Section 54-2-1 except water
316 corporations.

317 (32) (a) Subject to Subsection (32)(b), "qualifying exempt primary residential rental
318 personal property" means household furnishings, furniture, and equipment that:

319 (i) are used exclusively within a dwelling unit that is the primary residence of a tenant;
320 (ii) are owned by the owner of the dwelling unit that is the primary residence of a
321 tenant; and

322 (iii) after applying the residential exemption described in Section 59-2-103, are exempt
323 from taxation under this chapter in accordance with Subsection 59-2-1115(2).

324 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
325 commission may by rule define the term "dwelling unit" for purposes of this Subsection (32)
326 and Subsection (35).

327 (33) "Real estate" or "real property" includes:

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

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

332 (c) improvements.

333 (34) "Relationship with an owner of the property's land surface rights" means a
334 relationship described in Subsection 267(b), Internal Revenue Code:

335 (a) except that notwithstanding Subsection 267(b), Internal Revenue Code, the term
336 25% shall be substituted for the term 50% in Subsection 267(b), Internal Revenue Code; and

337 (b) using the ownership rules of Subsection 267(c), Internal Revenue Code, for

338 determining the ownership of stock.

339 (35) (a) Subject to Subsection (35)(b), "residential property," for the purposes of the
340 reductions and adjustments under this chapter, means any property used for residential
341 purposes as a primary residence.

342 (b) Subject to Subsection (35)(c), "residential property":

343 (i) except as provided in Subsection (35)(b)(ii), includes household furnishings,
344 furniture, and equipment if the household furnishings, furniture, and equipment are:

345 (A) used exclusively within a dwelling unit that is the primary residence of a tenant;

346 and

347 (B) owned by the owner of the dwelling unit that is the primary residence of a tenant;

348 and

349 (ii) does not include property used for transient residential use.

350 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
351 commission may by rule define the term "dwelling unit" for purposes of Subsection (32) and
352 this Subsection (35).

353 (36) "Split estate mineral rights owner" means a person who:

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

355 (b) does not hold more than a 25% interest in:

356 (i) the land surface rights of the property where the wellhead is located; or

357 (ii) an entity with an ownership interest in the land surface rights of the property where
358 the wellhead is located;

359 (c) is not an entity in which the owner of the land surface rights of the property where
360 the wellhead is located holds more than a 25% interest; and

361 (d) does not have a relationship with an owner of the land surface rights of the property
362 where the wellhead is located.

363 (37) (a) "State-assessed commercial vehicle" means:

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

366 (ii) any commercial vehicle, trailer, or semitrailer which operates interstate and
367 transports the vehicle owner's goods or property in furtherance of the owner's commercial
368 enterprise.

369 (b) "State-assessed commercial vehicle" does not include vehicles used for hire which
370 are specified in Subsection (8)(c) as county-assessed commercial vehicles.

371 (38) "Taxable value" means fair market value less any applicable reduction allowed for
372 residential property under Section 59-2-103.

373 (39) "Tax area" means a geographic area created by the overlapping boundaries of one
374 or more taxing entities.

375 (40) "Taxing entity" means any county, city, town, school district, special taxing
376 district, local district under Title 17B, Limited Purpose Local Government Entities - Local
377 Districts, or other political subdivision of the state with the authority to levy a tax on property.

378 (41) "Tax roll" means a permanent record of the taxes charged on property, as extended
379 on the assessment roll and may be maintained on the same record or records as the assessment
380 roll or may be maintained on a separate record properly indexed to the assessment roll. It
381 includes tax books, tax lists, and other similar materials.

382 Section 2. Section 59-2-918.5 is amended to read:

383 **59-2-918.5. Hearings on judgment levies -- Advertisement.**

384 (1) A taxing entity may not impose a judgment levy unless it first advertises its
385 intention to do so and holds a public hearing in accordance with the requirements of this
386 section.

387 (2) (a) The advertisement required by this section may be combined with the
388 advertisement described in Section 59-2-919.

389 (b) The advertisement shall be at least 1/8 of a page in size and shall meet the type,
390 placement, and frequency requirements established under Section 59-2-919.

391 (c) (i) For taxing entities operating under a July 1 through June 30 fiscal year the public
392 hearing shall be held at the same time as the hearing at which the annual budget is adopted.

393 (ii) For taxing entities operating under a January 1 through December 31 fiscal year:

394 (A) for an eligible judgment issued on or after March 1 but on or before September 15,
395 the public hearing shall be held at the same time as the hearing at which the annual budget is
396 adopted; or

397 (B) for an eligible judgment issued on or after September 16 but on or before the last
398 day of February, the public hearing shall be held at the same time as the hearing at which
399 property tax levies are set.

400 (3) The advertisement shall specify the date, time, and location of the public hearing at
401 which the levy will be considered and shall set forth the total amount of the eligible judgment
402 and the tax impact on an average residential and business property located within the taxing
403 entity.

404 (4) If a final decision regarding the judgment levy is not made at the public hearing, the
405 taxing entity shall announce at the public hearing the scheduled time and place for
406 consideration and adoption of the judgment levy.

407 (5) The date, time, and place of public hearings required by Subsections (2)(c)(i) and
408 (2)(c)(ii)(B) shall be included on the notice [~~mailed~~] provided to property owners pursuant to
409 Section [59-2-919.1](#).

410 Section 3. Section [59-2-918.6](#) is amended to read:

411 **[59-2-918.6. New and remaining school district budgets -- Advertisement -- Public](#)**
412 **hearing.**

413 (1) As used in this section, "existing school district," "new school district," and
414 "remaining school district" are as defined in Section [53A-2-117](#).

415 (2) For the first fiscal year in which a new school district created under Section
416 [53A-2-118.1](#) assumes responsibility for providing student instruction, the new school district
417 and the remaining school district or districts may not impose a property tax unless the district
418 imposing the tax:

419 (a) advertises its intention to do so in accordance with Subsection (3); and

420 (b) holds a public hearing in accordance with Subsection (4).

421 (3) The advertisement required by this section:

422 (a) may be combined with the advertisement described in Section [59-2-919](#);

423 (b) shall be at least 1/4 of a page in size and shall meet the type, placement, and
424 frequency requirements established under Section [59-2-919](#); and

425 (c) shall specify the date, time, and location of the public hearing at which the levy will
426 be considered and shall set forth the total amount of the district's proposed property tax levy
427 and the tax impact on an average residential and business property located within the taxing
428 entity compared to the property tax levy imposed in the prior year by the existing school
429 district.

430 (4) (a) The date, time, and place of public hearings required by this section shall be

431 included on the notice [~~mailed~~] provided to property owners pursuant to Section 59-2-919.1.

432 (b) If a final decision regarding the property tax levy is not made at the public hearing,
433 the school district shall announce at the public hearing the scheduled time and place for
434 consideration and adoption of the budget and property tax levies.

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

436 **59-2-919.1. Notice of property valuation and tax changes.**

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

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

441 (a) except as provided in Subsection (4), be sent to all owners of real property by mail
442 10 or more days before the day on which:

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

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

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

447 (i) approved by the commission; and

448 (ii) uniform in content in all counties in the state; and

449 (c) contain for each property:

450 (i) the assessor's determination of the value of the property;

451 (ii) the date the county board of equalization will meet to hear complaints on the
452 valuation;

453 (iii) itemized tax information for all applicable taxing entities, including:

454 (A) the dollar amount of the taxpayer's tax liability for the property in the prior year;

455 and

456 (B) the dollar amount of the taxpayer's tax liability under the current rate;

457 (iv) the tax impact on the property;

458 (v) the time and place of the required public hearing for each entity;

459 (vi) property tax information pertaining to:

460 (A) taxpayer relief;

461 (B) options for payment of taxes; and

462 (C) collection procedures;
463 (vii) information specifically authorized to be included on the notice under this
464 chapter;
465 (viii) the last property review date of the property as described in Subsection
466 59-2-303.1(1)(c); and
467 (ix) other property tax information approved by the commission.
468 (3) If a taxing entity that is subject to the notice and hearing requirements of
469 Subsection 59-2-919(4) proposes a tax increase, the notice described in Subsection (1) shall
470 state, in addition to the information required by Subsection (2):
471 (a) the dollar amount of the taxpayer's tax liability if the proposed increase is approved;
472 (b) the difference between the dollar amount of the taxpayer's tax liability if the
473 proposed increase is approved and the dollar amount of the taxpayer's tax liability under the
474 current rate, placed in close proximity to the information described in Subsection (2)(c)(v); and
475 (c) the percentage increase that the dollar amount of the taxpayer's tax liability under
476 the proposed tax rate represents as compared to the dollar amount of the taxpayer's tax liability
477 under the current tax rate.
478 (4) (a) Subject to the other provisions of this Subsection (4), a county auditor may, at
479 the county auditor's discretion, provide the notice required by this section by electronic mail if
480 a taxpayer makes an election, according to procedures determined by the county auditor, to
481 receive the notice by electronic mail.
482 (b) A taxpayer may revoke an election to receive the notice required by this section by
483 electronic mail if the taxpayer provides written notice to the county auditor on or before April
484 30.
485 (c) A revocation of an election under this section:
486 (i) does not relieve a taxpayer of the duty to pay a tax due under this chapter on or
487 before the due date for paying the tax; or
488 (ii) does not alter the requirement that a taxpayer appealing the valuation or the
489 equalization of the taxpayer's real property submit the application for appeal within the time
490 period provided in Subsection 59-2-1004(2).
491 (d) A county auditor shall provide the notice required by this section using a method
492 described in Subsection (2), until a taxpayer makes a new election in accordance with this

493 Subsection (4), if:

494 (i) the taxpayer revokes an election in accordance with Subsection (4)(b) to receive the
495 notice required by this section by electronic mail; or

496 (ii) the county auditor finds that the taxpayer's electronic mail address is invalid.

497 (e) A person is considered to be a taxpayer for purposes of this Subsection (4)
498 regardless of whether the property that is the subject of the notice required by this section is
499 exempt from taxation.

500 Section 5. Section **59-2-1004** is amended to read:

501 **59-2-1004. Appeal to county board of equalization -- Real property -- Time**
502 **period for appeal -- Decision of board -- Extensions approved by commission -- Appeal to**
503 **commission.**

504 (1) (a) A taxpayer dissatisfied with the valuation or the equalization of the taxpayer's
505 real property may make an application to appeal by:

506 (i) filing the application with the county board of equalization within the time period
507 described in Subsection (2); or

508 (ii) making an application by telephone or other electronic means within the time
509 period described in Subsection (2) if the county legislative body passes a resolution under
510 Subsection (7) authorizing applications to be made by telephone or other electronic means.

511 (b) The contents of the application shall be prescribed by rule of the county board of
512 equalization.

513 (2) (a) Except as provided in Subsection (2)(b), for purposes of Subsection (1), a
514 taxpayer shall make an application to appeal the valuation or the equalization of the taxpayer's
515 real property on or before the later of:

516 (i) September 15 of the current calendar year; or

517 (ii) the last day of a 45-day period beginning on the day on which the county auditor
518 [mails] provides the notice under Section [59-2-919.1](#).

519 (b) Notwithstanding Subsection (2)(a), in accordance with Title 63G, Chapter 3, Utah
520 Administrative Rulemaking Act, the commission shall make rules providing for circumstances
521 under which the county board of equalization is required to accept an application to appeal that
522 is filed after the time period prescribed in Subsection (2)(a).

523 (3) The owner shall include in the application under Subsection (1)(a)(i) the owner's

524 estimate of the fair market value of the property and any evidence which may indicate that the
525 assessed valuation of the owner's property is improperly equalized with the assessed valuation
526 of comparable properties.

527 (4) In reviewing evidence submitted to a county board of equalization by or on behalf
528 of an owner or a county assessor, the county board of equalization shall consider and weigh:

529 (a) the accuracy, reliability, and comparability of the evidence presented by the owner
530 or the county assessor;

531 (b) if submitted, the sales price of relevant property that was under contract for sale as
532 of the lien date but sold after the lien date;

533 (c) if submitted, the sales offering price of property that was offered for sale as of the
534 lien date but did not sell, including considering and weighing the amount of time for which,
535 and manner in which, the property was offered for sale; and

536 (d) if submitted, other evidence that is relevant to determining the fair market value of
537 the property.

538 (5) (a) The county board of equalization shall meet and hold public hearings as
539 prescribed in Section [59-2-1001](#).

540 (b) The county board of equalization shall make a decision on each appeal filed in
541 accordance with this section within a 60-day period after the day on which the application is
542 made.

543 (c) The commission may approve the extension of a time period provided for in
544 Subsection (5)(b) for a county board of equalization to make a decision on an appeal.

545 (d) Unless the commission approves the extension of a time period under Subsection
546 (5)(c), if a county board of equalization fails to make a decision on an appeal within the time
547 period described in Subsection (5)(b), the county legislative body shall:

548 (i) list the appeal, by property owner and parcel number, on the agenda for the next
549 meeting of the county legislative body that is held after the expiration of the time period
550 described in Subsection (5)(b); and

551 (ii) hear the appeal at the meeting described in Subsection (5)(d)(i).

552 (e) The decision of the board shall contain a determination of the valuation of the
553 property based on fair market value, and a conclusion that the fair market value is properly
554 equalized with the assessed value of comparable properties.

555 (f) If no evidence is presented before the county board of equalization, it will be
556 presumed that the equalization issue has been met.

557 (g) (i) If the fair market value of the property that is the subject of the appeal deviates
558 plus or minus 5% from the assessed value of comparable properties, the valuation of the
559 appealed property shall be adjusted to reflect a value equalized with the assessed value of
560 comparable properties.

561 (ii) Subject to Sections [59-2-301.1](#), [59-2-301.2](#), [59-2-301.3](#), and [59-2-301.4](#), equalized
562 value established under Subsection (5)(g)(i) shall be the assessed value for property tax
563 purposes until the county assessor is able to evaluate and equalize the assessed value of all
564 comparable properties to bring them all into conformity with full fair market value.

565 (6) If any taxpayer is dissatisfied with the decision of the county board of equalization,
566 the taxpayer may file an appeal with the commission as prescribed in Section [59-2-1006](#).

567 (7) A county legislative body may pass a resolution authorizing taxpayers owing taxes
568 on property assessed by that county to file property tax appeals applications under this section
569 by telephone or other electronic means.

Legislative Review Note
Office of Legislative Research and General Counsel