

PROPERTY ASSESSMENT REVISIONS

2017 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Brian M. Greene

Senate Sponsor: _____

LONG TITLE

General Description:

This bill modifies the method of valuing property for purposes of the Property Tax Act.

Highlighted Provisions:

This bill:

- ▶ defines terms; and
- ▶ addresses the fair market valuation of static property.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

ENACTS:

59-2-301.8, Utah Code Annotated 1953

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

Section 1. Section **59-2-301.8** is enacted to read:

59-2-301.8. Assessment of fair market value for static real property.

(1) As used in this section:

(a) "Average property value change" means the percentage change, measured from January 1 of the previous year to January 1 of the current year, in the fair market value of real



28 property for a single zoning classification that is within the geographically localized area in
29 which the static property that is subject to assessment is located.

30 (b) "Geographically localized area" means the smallest geographic area that the county
31 assessor can identify:

32 (i) that includes the static property that is subject to assessment; and

33 (ii) in which real property with the same zoning classification as the static property
34 would likely sell at a comparable amount in proportion to the static property's acreage,
35 improvements, use, impact and burden on government, and other relevant characteristics.

36 (c) "Static property" means real property that, as of January 1 of the current year:

37 (i) has not been improved since January 1 of the previous year;

38 (ii) has not been rezoned since January 1 of the previous year; and

39 (iii) has not been leased or sold since January 1 of the previous year.

40 (2) To equalize the valuation and assessment of real property that is static property, and
41 to secure a just valuation for taxation of static property, a county assessor, in assessing the fair
42 market value of static property, shall:

43 (a) take into account the character of the real property as static property; and

44 (b) determine the fair market value of the real property by considering, as a primary
45 factor, the average property value change.

46 **Section 2. Effective date.**

47 This bill takes effect on January 1, 2018.