

HB0168S03 compared with HB0168S02

~~{deleted text}~~ shows text that was in HB0168S02 but was deleted in HB0168S03.

Inserted text shows text that was not in HB0168S02 but was inserted into HB0168S03.

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~~{Representative R. Curt Webb}~~Senator Curtis S. Bramble proposes the following substitute bill:

POLITICAL SUBDIVISION LIEN AUTHORITY

2018 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: R. Curt Webb

Senate Sponsor: ~~{~~Curtis S. Bramble

LONG TITLE

General Description:

This bill addresses provisions related to political subdivision lien authority.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ clarifies certain existing grants of political subdivision lien authority to ensure that each grant provides an identifiable effective date, notice mechanism, and enforcement mechanism;
- ▶ imposes limits on political subdivision liens;
- ▶ provides that certain political subdivision liens are invalid against a subsequent bona fide purchaser if the lien is not recorded or if certain notice is not provided

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before the purchase;

- ▶ prohibits a county treasurer from including an item on the property tax notice unless the item's inclusion is expressly authorized in statute;
- ▶ amends the items that a county treasurer is required to include on a property tax notice;
- ▶ addresses the priority status of a political subdivision lien listed on the property tax notice;
- ▶ allows a tax sale for delinquencies of any item that is statutorily authorized to be included on the property tax notice;
- ▶ amends Title 59, Chapter 2, Part 13, Collection of Taxes, to address items listed on the property tax notice; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

10-7-30, Utah Code Annotated 1953

10-8-17, as last amended by Laws of Utah 2010, Chapter 378

10-8-19, Utah Code Annotated 1953

10-11-4, as last amended by Laws of Utah 2017, Chapter 460

11-42-202, as last amended by Laws of Utah 2017, Chapters 127 and 470

11-42-501, as last amended by Laws of Utah 2015, Chapter 349

11-42-502, as last amended by Laws of Utah 2016, Chapter 85

11-42-502.1, as enacted by Laws of Utah 2016, Chapter 85

11-42a-201, as enacted by Laws of Utah 2017, Chapter 470

11-42a-301, as enacted by Laws of Utah 2017, Chapter 470

11-42a-303, as enacted by Laws of Utah 2017, Chapter 470

17B-1-902, as last amended by Laws of Utah 2017, Chapter 460

17B-2a-506, as last amended by Laws of Utah 2015, Chapter 349

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17B-2a-1007, as last amended by Laws of Utah 2015, Chapter 258
59-2-1305, as last amended by Laws of Utah 1999, Chapter 207
59-2-1317, as last amended by Laws of Utah 2016, Chapter 353
59-2-1323, as repealed and reenacted by Laws of Utah 1988, Chapter 3
59-2-1324, as repealed and reenacted by Laws of Utah 1988, Chapter 3
59-2-1331, as last amended by Laws of Utah 2015, Chapter 201
59-2-1332.5, as last amended by Laws of Utah 2016, Chapter 368
59-2-1326, as last amended by Laws of Utah 2015, Chapter 258
59-2-1327, as repealed and reenacted by Laws of Utah 1988, Chapter 3
59-2-1332, as last amended by Laws of Utah 2015, Chapter 201
59-2-1333, as last amended by Laws of Utah 1997, Chapter 143
59-2-1335, as repealed and reenacted by Laws of Utah 1988, Chapter 3
59-2-1338, as last amended by Laws of Utah 1995, Chapter 181
59-2-1339, as last amended by Laws of Utah 2000, Chapter 75
59-2-1342, as last amended by Laws of Utah 1995, Chapter 181
59-2-1343, as last amended by Laws of Utah 1995, Chapter 181
59-2-1345, as last amended by Laws of Utah 1995, Chapter 181
59-2-1346, as last amended by Laws of Utah 2016, Chapter 368
59-2-1349, as last amended by Laws of Utah 1997, Chapter 143
59-2-1351, as last amended by Laws of Utah 2009, Chapter 388
59-2-1351.1, as last amended by Laws of Utah 2000, Chapter 75
59-2-1351.5, as last amended by Laws of Utah 2001, Chapter 9
59-2-1352, as repealed and reenacted by Laws of Utah 1988, Chapter 3
59-2-1353, as last amended by Laws of Utah 1995, Chapter 181
59-2-1355, as last amended by Laws of Utah 1993, Chapter 227
59-2-1358, as repealed and reenacted by Laws of Utah 1988, Chapter 3
59-2-1359, as last amended by Laws of Utah 1992, Chapter 4
59-2-1360, as repealed and reenacted by Laws of Utah 1988, Chapter 3
59-2-1361, as last amended by Laws of Utah 2001, Chapter 9
59-2-1362, as repealed and reenacted by Laws of Utah 1988, Chapter 3
59-2-1363, as repealed and reenacted by Laws of Utah 1988, Chapter 3

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59-2-1365, as last amended by Laws of Utah 2011, Chapter 342

59-2-1366, as last amended by Laws of Utah 2001, Chapter 241

59-2-1372, as enacted by Laws of Utah 1988, Chapter 3

ENACTS:

11-58-101, Utah Code Annotated 1953

11-58-102, Utah Code Annotated 1953

11-58-103, Utah Code Annotated 1953

59-2-1301.5, Utah Code Annotated 1953

REPEALS AND REENACTS:

10-7-31, Utah Code Annotated 1953

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

Section 1. Section **10-7-30** is amended to read:

10-7-30. Failure to pay for repairs -- Lien on company's property.

(1) In the event of the refusal of any [~~such~~] company to pave, repave, or repair as required [~~herein~~] in this section when so directed, upon the paving or repaving of any street upon which [~~its~~] the company's track is laid, the municipality [~~shall have power to~~] may:

(a) pave, repave, or repair the [~~same,~~] street; and

(b) collect the cost and expense of [~~such~~] the paving, repaving, or repairing [~~may be collected~~] by levy and sale of any property of [~~such~~] the company in the same manner as special taxes are [~~now or may be~~] collected. [~~Special~~]

(2) The municipality may levy special taxes, for the purpose [~~of paying the cost of any such paving or repaving, macadamizing~~] described in Subsection (1)(b) or repairing of [~~any such~~] the railway [~~may be levied~~], upon:

(a) all as one property:

(i) the track, including the ties, iron, roadbed, right of way, sidetracks, and appurtenances[;]; and

(ii) buildings and real estate belonging to [~~any such~~] the company and used for the purpose of [~~such~~] the railway business [~~all as one property,~~]; or [~~upon such~~]

(b) the parts of [~~such~~] the track, appurtenances, and property as may be within the district paved, repaved, macadamized, or repaired[, ~~and shall be a lien upon the property levied~~]

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~~upon from the time of the levy until satisfied. No].~~

(3) (a) The municipality may record the levied special taxes described in Subsection (2) as a political subdivision lien, as that term is defined in Section 11-58-102, upon the levied property, in accordance with Title 11, Chapter 58, Political Subdivision Lien Authority.

(b) Any mortgage, conveyance, pledge, transfer, or encumbrance of [any such] the property or of any rolling stock or personal property of [any such] the company[~~, created or suffered by it after the time when any street or part thereof upon which any railway shall have been laid shall have been ordered paved, repaved, macadamized or repaired shall be made or suffered except~~] that the company creates or suffers is subject to the lien [of such special taxes; if such levy is in contemplation].

(c) If the lien amount is not paid in full in a given year:

(i) by September 15, the municipality shall certify any unpaid amount to the treasurer of the county in which the lien property is located; and

(ii) the county treasurer shall include the certified amount on the property tax notice required by Section 59-2-1317 for that year.

Section 2. Section **10-7-31** is repealed and reenacted to read:

10-7-31. Sale of property to satisfy claims for special taxes.

(1) (a) The city treasurer may:

(i) seize any personal property belonging to any company described in Section 10-7-30 to satisfy a delinquent political subdivision lien described in Section 10-7-30; and

(ii) sell the seized personal property upon advertisement and in the same manner as constables may sell personal property upon execution.

(b) Failure to seize and sell personal property in accordance with Subsection (1)(a) does not affect or impair the lien described in Section 10-7-30 or any proceeding allowed by law to enforce the lien.

(2) The county may sell all or a portion of the ~~railroad track or any other~~ real property the company described in Section 10-7-30 owns for the payment of the lien through a tax sale in accordance with Title 59, Chapter 2, Part 13, Collection of Taxes.

Section 3. Section **10-8-17** is amended to read:

10-8-17. City may act as distributing agent -- Collection of operating costs from users.

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(1) When the governing body of a city is acting as distributing agent of water, not the property of the corporation, outside of or within its corporate limits, the governing body may annually [~~prior to~~], before the commencement of the irrigation season, determine and fix the sum [~~deemed~~] considered necessary to meet the expense of the current year for the purpose of:

(a) controlling, regulating, and distributing [such] the water; and

(b) constructing and keeping in repair the necessary means for diverting, conveying, and distributing the [same, and they] water.

(2) (a) The governing body may collect [such] the sum described in Subsection (1) from the persons entitled to the use of [such] the water, pro rata according to acreage, whether the acreage is situate within or without the corporate boundary of the city[; provided, that the funds so derived may not be appropriated or used].

(b) The governing body may not appropriate or use the derived funds for any other purpose[; and in] than the purposes described in Subsection (1).

(c) In the event that the governing body collects a greater sum [is collected] in any one year than is necessary [for said purpose, the excess thereof shall be carried] under Subsection (1), the governing body shall carry the excess to the account of the year next following and [applied to the purpose for which it was collected. Such sum shall be fixed and collected as provided by ordinance, and until collected the same shall be] apply the excess to the purposes described in Subsection (1).

(d) The governing body shall enact an ordinance fixing and providing for the collection of the sum described in Subsection (1).

(3) (a) Until the governing body collects the sum described in Subsection (1), the sum is a political subdivision lien, as that term is defined in Section 11-58-102, on [such] the subject water rights and the land irrigated [thereby] by the water, in accordance with Title 11, Chapter 58, Political Subdivision Lien Authority.

(b) If the lien amount is not paid in full in a given year:

(i) by September 15, the governing body shall certify any unpaid amount to the treasurer of the county in which the lien property is located; and

(ii) the county treasurer shall include the certified amount on the property tax notice required by Section 59-2-1317 for that year.

Section 4. Section **10-8-19** is amended to read:

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10-8-19. Water supply -- Special tax for increasing supply when city acting as distributing agent.

(1) Whenever a city is acting as distributing agent of water, not the property of the corporation, outside of or within the corporate limits of such city, upon written petition of the owners of ~~[such] the~~ water, ~~[it] the city~~ may increase the supply of water ~~[owned by such persons] that the petitioners own~~ by any means provided in Section 10-8-18~~[, and for that purpose]~~.

(2) (a) To increase the supply of water under Subsection (1), the city may levy and collect from the owners of ~~[such] the~~ water a tax not exceeding ~~[such] the~~ sum per acre of land owned ~~[by such persons as may have been] as~~ agreed upon and designated in ~~[said] the~~ petition~~[, said tax when so collected to be appropriated exclusively to said purposes, except such part thereof]~~.

(b) The city shall appropriate the tax collected under Subsection (2)(a) exclusively to increase the supply of water under Subsection (1), except as is necessary to pay the expense of levying and collecting the ~~[same. Said tax shall constitute] tax.~~

(3) (a) Until the city collects the tax described in Subsection (2), the unpaid tax is a political subdivision lien, as that term is defined in Section 11-58-102, upon the owner's water rights ~~[of the persons]~~ and the land ~~[irrigated thereby, and shall be levied and collected as provided in Section 10-8-17]~~ that the water irrigates, in accordance with Title 11, Chapter 58, Political Subdivision Lien Authority.

(b) If the lien amount is not paid in full in a given year:

(i) by September 15, the city shall certify any unpaid amount to the treasurer of the county in which the lien property is located; and

(ii) the county treasurer shall include the certified amount on the property tax notice required by Section 59-2-1317 for that year.

Section 5. Section 10-11-4 is amended to read:

10-11-4. Costs of removal to be included in tax notice.

(1) A municipality may certify to the treasurer of the county in which a property described in Section 10-11-3 is located, the unpaid costs and expenses that the municipality has incurred under Section 10-11-3 with regard to the property.

(2) If the municipality certifies with the treasurer of the county any costs or expenses

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incurred for a property under Section 10-11-3, the treasurer shall enter the amount of the costs and expenses on the assessment and tax rolls of the county in the column prepared for that purpose.

(3) If current tax notices have been mailed, the treasurer of the county may carry the costs and expenses described in Subsection (2) on the assessment and tax rolls to the following year.

(4) (a) After entry by the treasurer of the county[;] under Subsection (2):

~~(i) the amount entered[: (a) shall have the force and effect of a valid judgment of the district court; (b)]~~ is a nonrecurring ~~direct~~ tax notice charge that constitutes a political subdivision lien, as those terms are defined in Section 11-58-102, upon the property[; and] in accordance with Title 11, Chapter 58, Political Subdivision Lien Authority; and

~~[(c) (i)]~~ (ii) [shall be collected by the] the treasurer of the county in which the property is located shall collect the amount entered at the time of the payment of general taxes.

(b) (i) Notwithstanding Subsection (7), the municipality may pursue judicial foreclosure to enforce the lien rather than relying on a tax sale.

(ii) If the municipality pursues judicial foreclosure under this Subsection (4)(b):

(A) the municipality shall record the lien in the office of the recorder of the county in which the lien property is located; and

(B) the priority date of the lien, for the purpose of the judicial foreclosure, is the date on which the municipality records the lien.

(5) Upon payment of the costs and expenses that the treasurer of the county enters under Subsection (2):

~~[(a) the judgement is satisfied;]~~

~~[(b)]~~ (a) the lien described in Subsection (4) is released from the property; [and]

(b) the municipality shall record a release of the lien in the office of the recorder of the county in which the lien property is located; and

~~[(c)]~~ (c) [receipt shall be acknowledged] the treasurer shall acknowledge receipt upon the general tax receipt [issued by] that the treasurer issues.

(6) (a) If a municipality certifies unpaid costs and expenses under this section, the treasurer of the county shall provide a notice, in accordance with this Subsection (6), to the owner of the property for which the municipality has incurred the unpaid costs and expenses.

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(b) In providing the notice required in Subsection (6)(a), the treasurer of the county shall:

(i) include the amount of unpaid costs and expenses that a municipality has certified on or before July 15 of the current year;

(ii) provide contact information, including a phone number, for the property owner to contact the municipality to obtain more information regarding the amount described in Subsection (6)(b)(i); and

(iii) notify the property owner that:

(A) unless the municipality completes a judicial foreclosure under Subsection (4)(b), if the amount described in Subsection (6)(b)(i) is not paid in full by September 15 of the current year, any unpaid amount will be included on the property tax notice required by Section 59-2-1317; and

(B) the failure to pay the amount described in Subsection (6)(b)(i) has resulted in a lien on the property in accordance with ~~[this section]~~ Subsection (4).

(c) The treasurer of the county shall provide the notice required by this Subsection (6) to a property owner on or before August 1.

(d) If the municipality pursues judicial foreclosure under Subsection (4)(b) and completes the judicial foreclosure, before any tax sale proceedings on a property described in Subsection (1), the treasurer of the county shall remove from the assessment roll any costs or expenses that the treasurer added to the assessment roll under Subsection (2).

(7) If the amount described in Subsection (6)(b)(i) is not paid in full in a given year, by September 15, the county treasurer shall include any unpaid amount on the property tax notice required by Section 59-2-1317 for that year.

~~(7)~~ (8) This section does not apply to any public building, public structure, or public improvement.

Section 6. Section **11-42-202** is amended to read:

11-42-202. Requirements applicable to a notice of a proposed assessment area designation.

(1) Each notice required under Subsection 11-42-201(2)(a) shall:

(a) state that the local entity proposes to:

(i) designate one or more areas within the local entity's jurisdictional boundaries as an

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assessment area;

- (ii) provide an improvement to property within the proposed assessment area; and
- (iii) finance some or all of the cost of improvements by an assessment on benefitted

property within the assessment area;

(b) describe the proposed assessment area by any reasonable method that allows an owner of property in the proposed assessment area to determine that the owner's property is within the proposed assessment area;

(c) describe, in a general and reasonably accurate way, the improvements to be provided to the assessment area, including:

- (i) the nature of the improvements; and

(ii) the location of the improvements, by reference to streets or portions or extensions of streets or by any other means that the governing body chooses that reasonably describes the general location of the improvements;

- (d) state the estimated cost of the improvements as determined by a project engineer;

(e) for the version of notice mailed in accordance with Subsection (4)(b), state the estimated total assessment specific to the benefitted property for which the notice is mailed;

(f) state that the local entity proposes to levy an assessment on benefitted property within the assessment area to pay some or all of the cost of the improvements according to the estimated benefits to the property from the improvements;

(g) if applicable, state that an unassessed benefitted government property will receive improvements for which the cost will be allocated proportionately to the remaining benefitted properties within the proposed assessment area and that a description of each unassessed benefitted government property is available for public review at the location or website described in Subsection (6);

(h) state the assessment method by which the governing body proposes to calculate the proposed assessment, including, if the local entity is a municipality or county, whether the assessment will be collected:

- (i) by directly billing a property owner; or

(ii) by inclusion on a property tax notice issued in accordance with Section 59-2-1317 and in compliance with Section 11-42-401;

- (i) state:

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(i) the date described in Section 11-42-203 and the location at which protests against designation of the proposed assessment area or of the proposed improvements are required to be filed;

(ii) the method by which the governing body will determine the number of protests required to defeat the designation of the proposed assessment area or acquisition or construction of the proposed improvements; and

(iii) in large, boldface, and conspicuous type that a property owner must protest the designation of the assessment area in writing if the owner objects to the area designation or being assessed for the proposed improvements, operation and maintenance costs, or economic promotion activities;

(j) state the date, time, and place of the public hearing required in Section 11-42-204;

(k) if the governing body elects to create and fund a reserve fund under Section 11-42-702, include a description of:

(i) how the reserve fund will be funded and replenished; and

(ii) how remaining money in the reserve fund is to be disbursed upon full payment of the bonds;

(l) if the governing body intends to designate a voluntary assessment area, include a property owner consent form that:

(i) estimates the total assessment to be levied against the particular parcel of property;

(ii) describes any additional benefits that the governing body expects the assessed property to receive from the improvements;

(iii) designates the date and time by which the fully executed consent form is required to be submitted to the governing body; and

(iv) if the governing body intends to enforce an assessment lien on the property in accordance with Subsection 11-42-502.1(2)~~(e)~~(a)(ii)(C):

(A) appoints a trustee that satisfies the requirements described in Section 57-1-21;

(B) gives the trustee the power of sale; and

(C) explains that if an assessment or an installment of an assessment is not paid when due, the local entity may sell the property owner's property to satisfy the amount due plus interest, penalties, and costs, in the manner described in Title 57, Chapter 1, Conveyances;

(m) if the local entity intends to levy an assessment to pay operation and maintenance

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costs or for economic promotion activities, include:

(i) a description of the operation and maintenance costs or economic promotion activities to be paid by assessments and the initial estimated annual assessment to be levied;

(ii) a description of how the estimated assessment will be determined;

(iii) a description of how and when the governing body will adjust the assessment to reflect the costs of:

(A) in accordance with Section 11-42-406, current economic promotion activities; or

(B) current operation and maintenance costs;

(iv) a description of the method of assessment if different from the method of assessment to be used for financing any improvement; and

(v) a statement of the maximum number of years over which the assessment will be levied for:

(A) operation and maintenance costs; or

(B) economic promotion activities;

(n) if the governing body intends to divide the proposed assessment area into classifications under Subsection 11-42-201(1)(b), include a description of the proposed classifications;

(o) if applicable, state the portion and value of the improvement that will be increased in size or capacity to serve property outside of the assessment area and how the increases will be financed; and

(p) state whether the improvements will be financed with a bond and, if so, the currently estimated interest rate and term of financing, subject to Subsection (2), for which the benefitted properties within the assessment area may be obligated.

(2) The estimated interest rate and term of financing in Subsection (1)(p) may not be interpreted as a limitation to the actual interest rate incurred or the actual term of financing as subject to the market rate at the time of the issuance of the bond.

(3) A notice required under Subsection 11-42-201(2)(a) may contain other information that the governing body considers to be appropriate, including:

(a) the amount or proportion of the cost of the improvement to be paid by the local entity or from sources other than an assessment;

(b) the estimated total amount of each type of assessment for the various improvements

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to be financed according to the method of assessment that the governing body chooses; and

(c) provisions for any improvements described in Subsection 11-42-102(24)(a)(ii).

(4) Each notice required under Subsection 11-42-201(2)(a) shall:

(a) (i) (A) be published in a newspaper of general circulation within the local entity's jurisdictional boundaries, once a week for four consecutive weeks, with the last publication at least five but not more than 20 days before the day of the hearing required in Section 11-42-204; or

(B) if there is no newspaper of general circulation within the local entity's jurisdictional boundaries, be posted in at least three public places within the local entity's jurisdictional boundaries at least 20 but not more than 35 days before the day of the hearing required in Section 11-42-204; and

(ii) be published on the Utah Public Notice Website described in Section 63F-1-701 for four weeks before the deadline for filing protests specified in the notice under Subsection (1)(i); and

(b) be mailed, postage prepaid, within 10 days after the first publication or posting of the notice under Subsection (4)(a) to each owner of property to be assessed within the proposed assessment area at the property owner's mailing address.

(5) (a) The local entity may record the version of the notice that is published or posted in accordance with Subsection (4)(a) with the office of the county recorder, by legal description and tax identification number as identified in county records, against the property proposed to be assessed.

(b) The notice recorded under Subsection (5)(a) expires and is no longer valid one year after the day on which the local entity records the notice if the local entity has failed to adopt the designation ordinance or resolution under Section 11-42-201 designating the assessment area for which the notice was recorded.

(6) A local entity shall make available on the local entity's website, or, if no website is available, at the local entity's place of business, the address and type of use of each unassessed benefitted government property described in Subsection (1)(g).

(7) If a governing body fails to provide actual or constructive notice under this section, the local entity may not assess a levy against a benefitted property omitted from the notice unless:

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- (a) the property owner gives written consent;
- (b) the property owner received notice under Subsection 11-42-401(2)(a)(iii) and did not object to the levy of the assessment before the final hearing of the board of equalization; or
- (c) the benefitted property is conveyed to a subsequent purchaser and, before the date of conveyance, the requirements of Subsections 11-42-206(3)(a)(i) and (ii), or, if applicable, Subsection 11-42-207(1)(d)(i) are met.

Section 7. Section **11-42-501** is amended to read:

11-42-501. Assessment constitutes a lien -- Characteristics of an assessment lien.

(1) [Each] If the governing body of the local entity that adopts an assessment resolution or ordinance records the assessment resolution or ordinance and the notice of proposed assessment, in accordance with Section 11-42-206, in the office of the recorder of the county in which the assessed property is located, each assessment levied under this chapter, including any installment of an assessment, interest, and any penalties and costs of collection, constitutes a political subdivision lien, as that term is defined in Section 11-58-102, against the property assessed, in accordance with Title 11, Chapter 58, Political Subdivision Lien Authority, and subject to the provisions of this chapter, as of the effective date of the assessment resolution or ordinance.

(2) A lien under this section:

(a) is superior to the lien of a trust deed, mortgage, mechanic's or materialman's lien, or other encumbrances;

(b) has the same priority as, but is separate and distinct from, a lien for general property taxes;

(c) applies without interruption, change in priority, or alteration in any manner to any reduced payment obligations; and

(d) continues until the assessments, reduced payment obligations, and any interest, penalties, and costs are paid, despite:

(i) a sale of the property for or on account of a delinquent general property tax, special tax, or other assessment; or

(ii) the issuance of a tax deed, an assignment of interest by the county, or a sheriff's certificate of sale or deed.

Section 8. Section **11-42-502** is amended to read:

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11-42-502. Enforcement of an assessment lien -- Pre-May 10, 2016, procedure.

(1) The provisions of this section apply to any property that is:

(a) (i) located within the boundaries of an assessment area; and

(ii) the subject of a foreclosure procedure initiated before May 10, 2016, for an assessment or an installment of an assessment that is not paid when due; or

(b) located within the boundaries of an assessment area for which the local entity issued an assessment bond or a refunding assessment bond:

(i) before May 10, 2016;

(ii) that has not reached final maturity; and

(iii) that is not refinanced on or after May 10, 2016.

(2) (a) If an assessment or an installment of an assessment is not paid when due[;] in a given year:

(i) subject to Subsection (2)(b):

(A) by September 15, the governing body of the local entity that levies the assessment shall certify any unpaid amount calculated as of the date of certification to the treasurer of the county in which the assessed property is located; and

(B) the county treasurer shall include the certified amount on the property tax notice required by Section 59-2-1317 for that year; and

(ii) the local entity may sell the property on which the assessment has been levied for the amount due plus interest, penalties, and costs, in the manner provided:

~~[(a)]~~ (A) by resolution or ordinance of the local entity;

~~[(b)]~~ (B) in Title 59, Chapter 2, Part 13, Collection of Taxes, for the sale of property for delinquent general property taxes; or

~~[(c)]~~ (C) in Title 57, Chapter 1, Conveyances, as though the property were the subject of a trust deed in favor of the local entity.

(b) (i) The certification of the unpaid amount described in Subsection (2)(a)(i):

(A) has no effect on the amount due plus interest, penalties, and costs or other requirements of the assessment as described in the assessment resolution or ordinance; and

(B) is required to provide for the ability of the local entity to collect the delinquent assessment by the sale of property in a sale for delinquent general property taxes and tax notice charges, as that term is defined in Section 59-2-1301.5, in accordance with Title 59, Chapter 2,

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(ii) A local entity's failure to certify an amount in accordance with Subsection (2)(a)(i) or a county treasurer's failure to include the certified amount on the property tax notice is not a defense to and does not delay, prohibit, or diminish a local entity's lien rights or authority to pursue any enforcement remedy, other than a delay in the local entity's ability to collect the delinquent assessment as described in Subsection (2)(b)(i)(B).

(c) Nothing in Subsection (2)(a)(i) or in Title 11, Chapter 58, Political Subdivision Lien Authority, prohibits or diminishes a local entity's authority to pursue any remedy in Subsection (2)(a)(ii).

(3) Except as otherwise provided in this chapter, each tax sale under Subsection (2)~~(b)~~(a)(ii)(B) shall be governed by Title 59, Chapter 2, Part 13, Collection of Taxes, to the same extent as if the sale were for the sale of property for delinquent general property taxes.

(4) (a) In a foreclosure under Subsection (2)~~(c)~~(a)(ii)(C):

(i) the local entity may bid at the sale;

(ii) the local entity's governing body shall designate a trustee satisfying the requirements of Section 57-1-21;

(iii) each trustee designated under Subsection (4)(a)(ii) has a power of sale with respect to the property that is the subject of the delinquent assessment lien;

(iv) the property that is the subject of the delinquent assessment lien is considered to have been conveyed to the trustee, in trust, for the sole purpose of permitting the trustee to exercise the trustee's power of sale under Subsection (4)(a)(iii);

(v) if no one bids at the sale and pays the local entity the amount due on the assessment, plus interest and costs, the property is considered sold to the local entity for those amounts; and

(vi) the local entity's chief financial officer may substitute and appoint one or more successor trustees, as provided in Section 57-1-22.

(b) The designation of a trustee under Subsection (4)(a)(ii) shall be disclosed in the notice of default that the trustee gives to commence the foreclosure, and need not be stated in a separate instrument.

(5) (a) The redemption of property that is the subject of a tax sale under Subsection (2)~~(b)~~(a)(ii)(B) is governed by Title 59, Chapter 2, Part 13, Collection of Taxes.

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(b) The redemption of property that is the subject of a foreclosure proceeding under Subsection (2)~~(c)~~~~(a)~~~~(ii)~~~~(C)~~ is governed by Title 57, Chapter 1, Conveyances.

(6) (a) The remedies described in this part for the collection of an assessment and the enforcement of an assessment lien are cumulative.

(b) The use of one or more of the remedies described in this part does not deprive the local entity of any other available remedy or means of collecting the assessment or enforcing the assessment lien.

Section 9. Section **11-42-502.1** is amended to read:

11-42-502.1. Enforcement of an assessment lien -- Post-May 10, 2016, procedure.

(1) (a) Except as provided in Subsection (1)(b), the provisions of this section apply to any property that is:

(i) located within the boundaries of an assessment area; and

(ii) the subject of a foreclosure procedure initiated on or after May 10, 2016, for an assessment or an installment of an assessment that is not paid when due.

(b) The provisions of this chapter do not apply to property described in Subsection 11-42-502(1)(b).

(2) ~~(a)~~ If an assessment or an installment of an assessment is not paid when due~~;~~ in a given year:

~~(i)~~ subject to Subsection (2)(b):

~~(A)~~ by September 15, the governing body of the local entity that levies the assessment shall certify any unpaid amount calculated as of the date of the certification to the treasurer of the county in which the assessed property is located; and

~~(B)~~ the county treasurer shall include the certified amount on the property tax notice required by Section 59-2-1317 for that year; and

~~(ii)~~ the local entity may sell the property on which the assessment has been levied for the amount due plus interest, penalties, and costs:

~~(A)~~ in the manner provided in Title 59, Chapter 2, Part 13, Collection of Taxes, for the sale of property for delinquent general property taxes;

~~(B)~~ by judicial foreclosure; or

~~(C)~~ in the manner described in Title 57, Chapter 1, Conveyances, if~~;~~(i) the property is in a voluntary assessment area~~;~~ and (ii) the owner of record of the property at the

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time the local entity initiates the process to sell the property in accordance with Title 57, Chapter 1, Conveyances, executed a property owner's consent form described in Subsection 11-42-202(1)(l) that includes a provision described in Subsection 11-42-202(1)(l)(iv).

(b) (i) The certification of the unpaid amount described in Subsection (2)(a)(i):

(A) has no effect on the amount due plus interest, penalties, and costs or other requirements of the assessment as described in the assessment resolution or ordinance; and

(B) is required to provide for the ability of the local entity to collect the delinquent assessment by the sale of property in a sale for delinquent general property taxes and tax notice charges, as that term is defined in Section 59-2-1301.5, in accordance with Title 59, Chapter 2, Part 13, Collection of Taxes.

(ii) A local entity's failure to certify an amount in accordance with Subsection (2)(a)(i) or a county treasurer's failure to include the certified amount on the property tax notice is not a defense to and does not delay, prohibit, or diminish a local entity's lien rights or authority to pursue any enforcement remedy, other than a delay in the local entity's ability to collect the delinquent assessment as described in Subsection (2)(b)(i)(B).

(c) Nothing in Subsection (2)(a)(i) or in Title 11, Chapter 58, Political Subdivision Lien Authority, prohibits or diminishes a local entity's authority to pursue any remedy in Subsection (2)(a)(ii).

(3) Except as otherwise provided in this chapter, each tax sale under Subsection (2)(a)(ii)(A) shall be governed by Title 59, Chapter 2, Part 13, Collection of Taxes, to the same extent as if the sale were for the sale of property for delinquent general property taxes.

(4) (a) The redemption of property that is the subject of a tax sale under Subsection (2)(~~(a)~~)(a)(ii)(A) is governed by Title 59, Chapter 2, Part 13, Collection of Taxes.

(b) The redemption of property that is the subject of a judicial foreclosure proceeding under Subsection (2)(~~(b)~~)(a)(ii)(B) is governed by Title 78B, Chapter 6, Part 9, Mortgage Foreclosure.

(c) The redemption of property that is the subject of a foreclosure proceeding under Subsection (2)(~~(c)~~)(a)(ii)(C) is governed by Title 57, Chapter 1, Conveyances.

(5) (a) The remedies described in this part for the collection of an assessment and the enforcement of an assessment lien are cumulative.

(b) The use of one or more of the remedies described in this part does not deprive the

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local entity of any other available remedy or means of collecting the assessment or enforcing the assessment lien.

Section 10. Section **11-42a-201** is amended to read:

11-42a-201. Resolution or ordinance designating an energy assessment area, levying an assessment, and issuing an energy assessment bond.

(1) (a) Except as otherwise provided in this chapter, and subject to the requirements of this part, at the request of a property owner on whose property or for whose benefit an improvement is being installed or being reimbursed, a governing body of a local entity may adopt an energy assessment resolution or an energy assessment ordinance that:

- (i) designates an energy assessment area;
- (ii) levies an assessment within the energy assessment area; and
- (iii) if applicable, authorizes the issuance of an energy assessment bond.

(b) The boundaries of a proposed energy assessment area may:

(i) include property that is not intended to be assessed; and

(ii) overlap, be coextensive with, or be substantially coterminous with the boundaries of any other energy assessment area or an assessment area created under Title 11, Chapter 42, Assessment Area Act.

(c) The energy assessment resolution or ordinance described in Subsection (1)(a) is adequate for purposes of identifying the property to be assessed within the energy assessment area if the resolution or ordinance describes the property to be assessed by legal description and tax identification number.

(2) (a) A local entity that adopts an energy assessment resolution or ordinance under Subsection (1)(a) shall give notice of the adoption by:

(i) publishing a copy or a summary of the resolution or ordinance once in a newspaper of general circulation where the energy assessment area is located; or

(ii) if there is no newspaper of general circulation where the energy assessment area is located, posting a copy of the resolution or ordinance in at least three public places within the local entity's jurisdictional boundaries for at least 21 days.

(b) Except as provided in Subsection (2)(a), a local entity is not required to make any other publication or posting of the resolution or ordinance.

(3) Notwithstanding any other statutory provision regarding the effective date of a

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resolution or ordinance, each energy assessment resolution or ordinance takes effect:

- (a) on the date of publication or posting of the notice under Subsection (2); or
- (b) at a later date as provided in the resolution or ordinance.

(4) (a) The governing body of each local entity that has adopted an energy assessment resolution or ordinance under Subsection (1) shall, within five days after the effective date of the resolution or ordinance, file a notice of assessment interest with the recorder of the county in which the property to be assessed is located.

(b) Each notice of assessment interest under Subsection (4)(a) shall:

(i) state that the local entity has an assessment interest in the property to be assessed; and

(ii) describe the property to be assessed by legal description and tax identification number.

(c) ~~[A local entity's failure]~~ If a local entity fails to file a notice of assessment interest under this Subsection (4) [has no effect on the validity of an assessment levied under an energy assessment resolution or ordinance adopted under Subsection (1)].:

(i) the failure does not invalidate the designation of an energy assessment area; and

(ii) the local entity may not assess a levy against a subsequent purchaser of a benefitted property that lacked recorded notice unless:

(A) the subsequent purchaser gives written consent;

(B) the subsequent purchaser has actual notice of the assessment levy; or

(C) the subsequent purchaser purchased the property after a corrected notice was filed under Subsection (4)(d).

(d) The local entity may file a corrected notice if the entity fails to comply with the date or other requirements for filing a notice of assessment interest.

(e) If a governing body has filed a corrected notice under Subsection (4)(d), the local entity may not retroactively collect or adjust the amount of the levy to recapture lost funds for a levy that the local entity was prohibited from collecting, if applicable, under Subsection (4)(c).

Section 11. Section **11-42a-301** is amended to read:

11-42a-301. Assessment constitutes a lien -- Characteristics of an energy assessment lien.

(1) ~~[Each]~~ If a local entity that adopts an assessment resolution or ordinance records

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the assessment resolution or ordinance and the notice of proposed assessment, in accordance with Section 11-42a-201, in the office of the recorder of the county in which the assessed property is located, each assessment levied under this chapter, including any installment of an assessment, interest, and any penalties and costs of collection, constitutes a political subdivision lien, as that term is defined in Section 11-58-102, against the assessed property, in accordance with Title 11, Chapter 58, Political Subdivision Lien Authority, and subject to the provisions of this chapter, beginning on the effective date of the energy assessment resolution or ordinance that the local entity adopts under Subsection 11-42a-201(1)(a).

(2) An energy assessment lien under this section:

(a) is superior to the lien of a trust deed, mortgage, mechanic's or materialman's lien, or other encumbrances;

(b) has the same priority as, but is separate and distinct from:

(i) a lien for general property taxes; or

(ii) any other energy assessment lien levied under this chapter;

(c) applies to any reduced payment obligations without interruption, change in priority, or alteration in any manner; and

(d) continues until the assessment and any related reduced payment obligations, interest, penalties, and costs are paid, regardless of:

(i) a sale of the property for or on account of a delinquent general property tax, special tax, or other assessment; or

(ii) the issuance of a tax deed, an assignment of interest by the county, or a sheriff's certificate of sale or deed.

Section 12. Section **11-42a-303** is amended to read:

11-42a-303. Enforcement of an energy assessment lien.

(1) (a) If an assessment or an installment of an assessment is not paid when due^[;] in a given year:

(i) subject to Subsection (1)(c):

(A) by September 15, the governing body of the local entity that levies the assessment shall certify any unpaid amount calculated as of the date of certification to the treasurer of the county in which the assessed property is located; and

(B) the county treasurer shall include the certified amount on the property tax notice

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required by Section 59-2-1317 for that year; and

(ii) the local entity may sell the property on which the assessment has been levied for the amount due plus interest, penalties, and costs:

~~[(a)]~~ (A) in the manner provided in Title 59, Chapter 2, Part 13, Collection of Taxes, for the sale of property for delinquent general property taxes;

~~[(b)]~~ (B) by judicial foreclosure; or

~~[(c)]~~ (C) in the manner provided in Title 57, Chapter 1, Conveyances, as though the property were the subject of a trust deed in favor of the local entity if the owner of record of the property at the time the local entity initiates the process to sell the property in accordance with Title 57, Chapter 1, Conveyances, has executed a property owner's consent form ~~[that:]~~ in accordance with Subsection (1)(b).

(b) The local entity shall ensure that the consent form described in Subsection (1)(a)(ii)(C):

(i) estimates the total assessment to be levied against the particular parcel of property;

(ii) describes any additional benefits that the local entity expects the assessed property to receive from the improvements;

(iii) designates the date and time by which the fully executed consent form is required to be submitted to the local entity; and

(iv) (A) appoints a trustee that satisfies the requirements described in Section 57-1-21;

(B) gives the trustee the power of sale; and

(C) explains that if an assessment or an installment of an assessment is not paid when due, the local entity may sell the property owner's property to satisfy the amount due plus interest, penalties, and costs, in the manner described in Title 57, Chapter 1, Conveyances.

(c) (i) The certification of the unpaid amount described in Subsection (1)(a)(i):

(A) has no effect on the amount due plus interest, penalties, and costs or other requirements of the energy assessment as described in the energy assessment resolution or ordinance; and

(B) is required to provide for the ability of the local entity to collect the delinquent energy assessment by the sale of property in a sale for delinquent general property taxes and tax notice charges, as that term is defined in Section 59-2-1301.5, in accordance with Title 59, Chapter 2, Part 13, Collection of Taxes.

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(ii) A local entity's failure to certify an amount in accordance with Subsection (1)(a)(i) or a county treasurer's failure to include the certified amount on the property tax notice is not a defense to and does not delay, prohibit, or diminish a local entity's lien rights or authority to pursue any enforcement remedy, other than a delay in the local entity's ability to collect the delinquent energy assessment as described in Subsection (1)(c)(i)(B).

(d) Nothing in Subsection (1)(a)(i) or in Title 11, Chapter 58, Political Subdivision Lien Authority, prohibits or diminishes a local entity's authority to pursue any remedy in Subsection (1)(a)(ii).

(2) If the local entity has assigned the local entity's rights to a third-party lender under Section 11-42a-302, the local entity shall provide written instructions to the third-party lender as to which method of enforcement the third-party lender shall pursue.

(3) Except as otherwise provided in this chapter, each tax sale under Subsection (1)~~(b)~~(a)(ii)(B) is governed by Title 59, Chapter 2, Part 13, Collection of Taxes, to the same extent as if the sale were for the sale of property for delinquent general property taxes.

(4) (a) In a foreclosure under Subsection (1)~~(c)~~(a)(ii)(C):

(i) the local entity may bid at the sale;

(ii) if no one bids at the sale and pays the local entity the amount due on the assessment, plus interest and costs, the property is considered sold to the local entity for those amounts; and

(iii) the local entity's chief financial officer may substitute and appoint one or more successor trustees, as provided in Section 57-1-22.

(b) (i) The local entity shall disclose the designation of a trustee under Subsection (4)(a)(ii) in the notice of default that the trustee gives to commence the foreclosure.

(ii) The local entity is not required to disclose the designation of a trustee under Subsection (4)(a)(ii) in an instrument separate from the notice described in Subsection (4)(b)(i).

(5) (a) The redemption of property that is the subject of a tax sale under Subsection (1)(b) is governed by Title 59, Chapter 2, Part 13, Collection of Taxes.

(b) The redemption of property that is the subject of a foreclosure proceeding under Subsection (1)~~(c)~~(a)(ii)(C) is governed by Title 57, Chapter 1, Conveyances.

(6) The remedies described in this part for the collection of an assessment and the

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enforcement of an energy assessment lien are cumulative, and the use of one or more of those remedies does not deprive the local entity of any other available remedy, means of collecting the assessment, or means of enforcing the energy assessment lien.

Section 13. Section **11-58-101** is enacted to read:

CHAPTER 58. POLITICAL SUBDIVISION LIEN AUTHORITY

11-58-101. Title.

This chapter is known as "Political Subdivision Lien Authority."

Section 14. Section **11-58-102** is enacted to read:

11-58-102. Definitions.

As used in this chapter:

(1) "Direct charge" means a charge, fee, assessment, or amount, other than a property tax, that a political subdivision charges to a property owner.

(2) "Nonrecurring ~~direct~~ tax notice charge" means a ~~direct~~ tax notice charge that a political subdivision ~~assesses or imposes~~ certifies to the county treasurer on a one-time or case-by-case basis rather than ~~a regular assessment~~ regularly over multiple calendar years.

(3) "Notice of lien" means a notice that:

(a) a political subdivision records in the office of the recorder of the county in which a property that is the subject of a nonrecurring ~~direct~~ tax notice charge is located; and

(b) describes the nature and amount of the nonrecurring ~~direct~~ tax notice charge and whether the political subdivision intends to certify the charge to the county treasurer under statutory authority that allows the treasurer to place the charge on the property tax notice described in Section 59-2-1317.

(4) "Political subdivision" means:

(a) a county, as that term is defined in Section 17-50-101;

(b) a municipality, as that term is defined in Section 10-1-104;

(c) a local district, as that term is defined in Section 17B-1-102;

(d) a special service district, as that term is defined in Section 17D-1-102;

(e) an interlocal entity, as that term is defined in Section 11-13-103;

(f) a community reinvestment agency created under Title 17C, Limited Purpose Local Government Entities - Community Reinvestment Agency Act;

(g) a local building authority, as that term is defined in Section 17D-2-102;

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(h) a conservation district, as that term is defined in Section 17D-3-102; or

(i) a local entity, as that term is defined in Sections 11-42-102 and 11-42a-102.

(5) "Political subdivision lien" means a lien that a statute expressly authorizes a political subdivision to hold and record, including a direct charge that constitutes, according to an express statutory provision, a lien.

(6) "Property tax" means a tax imposed on real property under Title 59, Chapter 2, Property Tax Act, Title 59, Chapter 3, Tax Equivalent Property Act, or Title 59, Chapter 4, Privilege Tax.

(7) "Tax notice charge" means the same as that term is defined in Section 59-2-1301.5.

(~~7~~8) "Tax sale" means the tax sale described in Title 59, Chapter 2, Part 13.

Collection of Taxes.

Section 15. Section **11-58-103** is enacted to read:

11-58-103. Political subdivision liens -- Status -- Limitations.

(1) Unless expressly granted in statute, a political subdivision has no lien authority or lien rights when a property owner fails to pay a direct charge for:

(a) a service that the political subdivision renders; or

(b) a product, an item, or goods that the political subdivision delivers.

(2) A political subdivision lien other than a lien described in Subsection (3):

(a) (i) is not equivalent to and does not have the same priority as property tax; and

(ii) is not subject to the same collection and tax sale procedures as a property tax;

(b) is effective as of the date on which the lienholder records the lien in the office of the recorder of the county in which the property is located;

(c) is subordinate in priority to all encumbrances on the property existing on the date on which the municipality records the lien; and

(d) is invalid and does not attach to the property if:

(i) the lienholder does not record the lien; or

(ii) a subsequent bona fide purchaser purchases the lien property for value before the lienholder records the lien.

(3) (a) A political subdivision lien that is included on the property tax notice in accordance with Section 59-2-1317 or another express statutory provision:

(i) under Subsection 59-2-1317(3), has the same priority as a property tax and is

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subject to collection in a tax sale in accordance with Title 59, Chapter 2, Part 13, Collection of Taxes, if:

(A) in order to hold the lien, statute requires the lienholder to record the lien or a resolution, notice, ordinance, or order, and the lienholder makes the required recording; or

(B) statute does not require the lienholder to record the lien or a resolution, notice, ordinance, or order; and

(ii) except as provided in Subsection (3)(b):

(A) attaches to the property; and

(B) is valid against a subsequent bona fide purchaser of the property.

(b) Notwithstanding Subsection (3)(a)(ii), ~~regardless of inclusion on the property tax notice in accordance with Section 59-2-1317, if a political subdivision fails to record a~~ a nonrecurring tax notice charge does not attach to the property and is invalid against a subsequent bona fide purchaser if the recording of a document conveying title to the subsequent bona fide purchaser occurs before the earlier of:

(i) the recording of the lien or a notice of lien ~~for a nonrecurring direct charge~~ in the office of the recorder of the county in which the lien property is located ~~before a subsequent bona fide purchaser purchases the property, the lien:~~

~~— (i) does not attach to the property; and~~

~~— (ii) is invalid against the subsequent bona fide purchaser}; or~~

(ii) the mailing of the property tax notice that includes the nonrecurring tax notice charge.

(4) If the holder of a political subdivision lien records the lien or a notice of lien, upon payment of the amount that constitutes the lien:

(a) the lien is released from the property; and

(b) the lienholder shall record a release of the lien or the notice of lien in the same recorder's office in which the lienholder recorded the lien or the notice of the lien.

~~(c) 5) Unless otherwise expressly stated in statute, a partial payment of an amount constituting a political subdivision lien, including all costs, charges, interest, and amounts accrued since the unpaid amount was certified to the county treasurer, is not a release of any assessment to be paid in accordance with Title 11, Chapter 42, Assessment Area Act, or Title 11, Chapter 42a, Commercial Property Assessed Clean Energy Act.~~

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(5)6 Nothing in this section limits a political subdivision's lien authority, lien rights, or remedies otherwise provided in statute, a contract, a judgment, or another property interest.

Section 16. Section **17B-1-902** is amended to read:

17B-1-902. Lien for past due service fees -- Notice -- Partial payment allocation.

(1) (a) A local district may ~~file~~ hold a lien on a customer's property for past due fees for commodities, services, or facilities that the district has provided to the customer's property by certifying, subject to Subsection (3), to the treasurer of the county in which the customer's property is located the amount of past due fees, including, subject to Section 17B-1-902.1, applicable interest and administrative costs.

(b) (i) Upon certification under Subsection (1)(a), the past due fees, and if applicable, interest and administrative costs, become a political subdivision lien that is a nonrecurring tax notice charge, as those terms are defined in Section 11-58-102, on the customer's property to which the commodities, services, or facilities were provided in accordance with Title 11, Chapter 58, Political Subdivision Lien Authority.

~~(c)~~ (ii) A lien ~~[filed in accordance with this section]~~ described in this Subsection (1) has the same priority as, but is separate and distinct from, a property tax lien.

(2) (a) If a local district certifies past due fees under Subsection (1)(a), the treasurer of the county shall provide a notice, in accordance with this Subsection (2), to the owner of the property for which the local district has incurred the past due fees.

(b) In providing the notice required in Subsection (2)(a), the treasurer of the county shall:

(i) include the amount of past due fees that a local district has certified on or before July 15 of the current year;

(ii) provide contact information, including a phone number, for the property owner to contact the local district to obtain more information regarding the amount described in Subsection (2)(b)(i); and

(iii) notify the property owner that:

(A) if the amount described in Subsection (2)(b)(i) is not paid in full by September 15 of the current year, any unpaid amount will be included on the property tax notice required by Section 59-2-1317; and

(B) the failure to pay the amount described in Subsection (2)(b)(i) has resulted in a lien

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on the property in accordance with ~~[this section]~~ Subsection (1)(b).

(c) The treasurer of the county shall provide the notice required by this Subsection (2) to a property owner on or before August 1.

(3) (a) If a local district certifies ~~[past due fees under]~~ an unpaid amount in accordance with Subsection (1)(a), the county treasurer shall include the unpaid amount on a property tax notice issued in accordance with Section 59-2-1317 ~~[an unpaid fee, administrative cost, or interest described in Subsection (1)(a)]~~.

(b) If an unpaid fee, administrative cost, or interest is included on a property tax notice in accordance with Subsection (3)(a), the county treasurer shall on the property tax notice:

(i) clearly state that the unpaid fee, administrative cost, or interest is for a service provided by the local district; and

(ii) itemize the unpaid fee, administrative cost, or interest separate from any other tax, fee, interest, or penalty that is included on the property tax notice in accordance with Section 59-2-1317.

(4) A lien under Subsection (1) is not valid if the local district makes certification under Subsection ~~[(1) is made]~~ (1)(a) after the filing for record of a document conveying title of the customer's property to a new owner.

(5) Nothing in this section may be construed to:

(a) waive or release the customer's obligation to pay fees that the district has imposed;

(b) preclude the certification of a lien under Subsection (1) with respect to past due fees for commodities, services, or facilities provided after the date that title to the property is transferred to a new owner; or

(c) nullify or terminate a valid lien.

(6) After all amounts owing under a lien established as provided in this section have been paid, the local district shall file for record in the county recorder's office a release of the lien.

Section 17. Section **17B-2a-506** is amended to read:

17B-2a-506. Different use charges for different units -- Use charges based on the size of the land served -- Use charge may not be based on property value.

(1) An irrigation district may:

(a) divide the district into units and apply different use charges to the different units;

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and

(b) base use charges upon the amount of water or electricity the district provides, the area of the land served, or any other reasonable basis, as determined by the board of trustees.

(2) If an irrigation district imposes a use charge based on the size of the land served or the amount of water allotted to the land:

(a) the assessor of the county in which the land is located shall assist the irrigation district in ascertaining the identity of a parcel served by the district;

(b) the district shall notify the treasurer of the county in which the land is located of the charge to be imposed for each parcel of land served by the district; and

(c) the treasurer of the county in which the land is located:

(i) shall:

(A) provide each landowner a notice of use charges as part of the annual tax notice required in Section 59-2-1317 as an additional charge separate from ad valorem taxes;

(B) collect, receive, and provide an accounting for all money belonging to the district from use charges; ~~and~~

(C) remit to the irrigation district, by the tenth day of each month, the funds previously collected by the county as use charges on the district's behalf; and

(D) collect any unpaid use charges in accordance with Title 59, Chapter 2, Part 13, Collection of Taxes; and

(ii) may receive and account for use charges separately from taxes upon real estate for county purposes.

(3) (a) A use charge described in Subsection (2)(b) ~~[shall become a lien]~~ is a political subdivision lien, as that term is defined in Section 11-58-102, on the land served, as provided in ~~[Section 17B-1-902]~~ Subsection 17B-1-902(1), except that the certification described in Subsection 17B-1-902(1)(a) is not required if the district makes the notification to the county treasurer required in Subsection (2)(b).

(b) A lien described in Subsection (3)(a) shall remain in force until the use charge is paid.

(c) The county treasurer shall release a lien described in Subsection (3)(a) upon receipt of full payment of the use charge.

(4) A use charge may not be calculated on the basis of property value and does not

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constitute an ad valorem property tax or other tax.

Section 18. Section **17B-2a-1007** is amended to read:

17B-2a-1007. Contract assessments.

(1) As used in this section:

(a) "Assessed land" means:

(i) for a contract assessment under a water contract with a private water user, the land owned by the private water user that receives the beneficial use of water under the water contract; or

(ii) for a contract assessment under a water contract with a public water user, the land within the boundaries of the public water user that is within the boundaries of the water conservancy district and that receives the beneficial use of water under the water contract.

(b) "Contract assessment" means an assessment levied as provided in this section by a water conservancy district on assessed land.

(c) "Governing body" means:

(i) for a county, city, or town, the legislative body of the county, city, or town;

(ii) for a local district, the board of trustees of the local district;

(iii) for a special service district:

(A) the legislative body of the county, city, or town that established the special service district, if no administrative control board has been appointed under Section 17D-1-301; or

(B) the administrative control board of the special service district, if an administrative control board has been appointed under Section 17D-1-301; and

(iv) for any other political subdivision of the state, the person or body with authority to govern the affairs of the political subdivision.

(d) "Petitioner" means a private petitioner or a public petitioner.

(e) "Private petitioner" means an owner of land within a water conservancy district who submits a petition to a water conservancy district under Subsection (3) to enter into a water contract with the district.

(f) "Private water user" means an owner of land within a water conservancy district who enters into a water contract with the district.

(g) "Public petitioner" means a political subdivision of the state:

(i) whose territory is partly or entirely within the boundaries of a water conservancy

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district; and

(ii) that submits a petition to a water conservancy district under Subsection (3) to enter into a water contract with the district.

(h) "Public water user" means a political subdivision of the state:

(i) whose territory is partly or entirely within the boundaries of a water conservancy district; and

(ii) that enters into a water contract with the district.

(i) "Water contract" means a contract between a water conservancy district and a private water user or a public water user under which the water user purchases, leases, or otherwise acquires the beneficial use of water from the water conservancy district for the benefit of:

(i) land owned by the private water user; or

(ii) land within the public water user's boundaries that is also within the boundaries of the water conservancy district.

(j) "Water user" means a private water user or a public water user.

(2) A water conservancy district may levy a contract assessment as provided in this section.

(3) (a) The governing body of a public petitioner may authorize its chief executive officer to submit a written petition on behalf of the public petitioner to a water conservancy district requesting to enter into a water contract.

(b) A private petitioner may submit a written petition to a water conservancy district requesting to enter into a water contract.

(c) Each petition under this Subsection (3) shall include:

(i) the petitioner's name;

(ii) the quantity of water the petitioner desires to purchase or otherwise acquire;

(iii) a description of the land upon which the water will be used;

(iv) the price to be paid for the water;

(v) the amount of any service, turnout, connection, distribution system, or other charge to be paid;

(vi) whether payment will be made in cash or annual installments;

(vii) a provision requiring the contract assessment to become a lien on the land for

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which the water is petitioned and is to be allotted; and

(viii) an agreement that the petitioner is bound by the provisions of this part and the rules and regulations of the water conservancy district board of trustees.

(4) (a) If the board of a water conservancy district desires to consider a petition submitted by a petitioner under Subsection (3), the board shall:

(i) publish notice of the petition and of the hearing required under Subsection (4)(a)(ii) at least once a week in two successive weeks in a newspaper of general circulation within the county in which the political subdivision or private petitioner's land, as the case may be, is located; and

(ii) hold a public hearing on the petition.

(b) Each notice under Subsection (4)(a)(i) shall:

(i) state that a petition has been filed and that the district is considering levying a contract assessment; and

(ii) give the date, time, and place of the hearing required under Subsection (4)(a)(ii).

(c) (i) At each hearing required under Subsection (4)(a)(ii), the board of trustees of the water conservancy district shall:

(A) allow any interested person to appear and explain why the petition should not be granted; and

(B) consider each written objection to the granting of the petition that the board receives before or at the hearing.

(ii) The board of trustees may adjourn and reconvene the hearing as the board considers appropriate.

(d) (i) Any interested person may file with the board of the water conservancy district, at or before the hearing under Subsection (4)(a)(ii), a written objection to the district's granting a petition.

(ii) Each person who fails to submit a written objection within the time provided under Subsection (4)(d)(i) is considered to have consented to the district's granting the petition and levying a contract assessment.

(5) After holding a public hearing as required under Subsection (4)(a)(ii), the board of trustees of a water conservancy district may:

(a) deny the petition; or

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(b) grant the petition, if the board considers granting the petition to be in the best interests of the district.

(6) The board of a water conservancy district that grants a petition under this section may:

(a) make an allotment of water for the benefit of assessed land;

(b) authorize any necessary construction to provide for the use of water upon the terms and conditions stated in the water contract;

(c) divide the district into units and fix a different rate for water purchased or otherwise acquired and for other charges within each unit, if the rates and charges are equitable, although not equal and uniform, for similar classes of services throughout the district; and

(d) levy a contract assessment on assessed land.

(7) (a) The board of trustees of each water conservancy district that levies a contract assessment under this section shall:

(i) cause a certified copy of the resolution, ordinance, or order levying the assessment to be recorded in the office of the recorder of each county in which assessed land is located; and

(ii) on or before July 1 of each year after levying the contract assessment, certify to the auditor of each county in which assessed land is located the amount of the contract assessment.

(b) Upon the recording of the resolution [~~or ordinance under~~], ordinance, or order, in accordance with Subsection (7)(a)(i)[]:

(i) the contract assessment associated with allotting water to the assessed land under the water contract becomes a [~~perpetual lien~~] political subdivision lien, as that term is defined in Section 11-58-102, on the assessed land[], in accordance with Title 11, Chapter 58, Political Subdivision Lien Authority, as of the effective date of the resolution, ordinance, or order; and

(ii) (A) the board of trustees of the water conservancy district shall certify the amount of the assessment to the county treasurer; and

(B) the county treasurer shall include the certified amount on the property tax notice required by Section 59-2-1317 for that year.

(c) (i) Each county in which assessed land is located shall collect the contract assessment in the same manner as taxes levied by the county.

(ii) If the amount of a contract assessment levied under this section is not paid in full in

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a given year:

(A) by September 15, the governing body of the water conservancy district that levies the contract assessment shall certify any unpaid amount to the treasurer of the county in which the property is located; and

(B) the county treasurer shall include the certified amount on the property tax notice required by Section 59-2-1317 for that year.

(8) (a) The board of trustees of each water conservancy district that levies a contract assessment under this section shall:

(i) hold a public hearing, before August 8 of each year in which a contract assessment is levied, to hear and consider objections filed under Subsection (8)(b); and

(ii) twice publish a notice, at least a week apart:

(A) ~~(H)~~ in a newspaper of general circulation in each county with assessed land included within the district boundaries~~;~~ or ~~(H)~~, if there is no newspaper of general circulation within the county, in a newspaper of general circulation in an adjoining county; and

(B) that contains~~;~~ ~~(H)~~ a general description of the assessed land~~;~~ ~~(H)~~, the amount of the contract assessment~~;~~, and ~~(H)~~ the time and place of the public hearing under Subsection (8)(a)(i).

(b) An owner of assessed land within the water conservancy district who believes that the contract assessment on the owner's land is excessive, erroneous, or illegal may, before the hearing under Subsection (8)(a)(i), file with the board of trustees a verified, written objection to the assessment, stating the grounds for the objection.

(c) (i) At each hearing under Subsection (8)(a)(i), the board of trustees shall hear and consider the evidence and arguments supporting each objection.

(ii) After hearing and considering the evidence and arguments supporting an objection, the board of trustees:

(A) shall enter a written order, stating its decision; and

(B) may modify the assessment.

(d) (i) An owner of assessed land may file a petition in district court seeking review of a board of trustees' order under Subsection (8)(c)(ii)(A).

(ii) Each petition under Subsection (8)(d)(i) shall:

(A) be filed within 30 days after the board enters its written order;

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(B) state specifically the part of the board's order for which review is sought; and

(C) be accompanied by a bond with good and sufficient security in an amount not exceeding \$200, as determined by the court clerk.

(iii) If more than one owner of assessed land seeks review, the court may, upon a showing that the reviews may be consolidated without injury to anyone's interests, consolidate the reviews and hear them together.

(iv) The court shall act as quickly as possible after a petition is filed.

(v) A court may not disturb a board of trustees' order unless the court finds that the contract assessment on the petitioner's assessed land is manifestly disproportionate to assessments imposed upon other land in the district.

(e) If no petition under Subsection (8)(d) is timely filed, the contract assessment is conclusively considered to have been made in proportion to the benefits conferred on the land in the district.

(9) Each resolution, ordinance, or order under which a water conservancy district levied a Class B, Class C, or Class D assessment before April 30, 2007, under the law in effect at the time of the levy is validated, ratified, and confirmed, and a water conservancy district may continue to levy the assessment according to the terms of the resolution, ordinance, or order.

(10) A contract assessment is not a levy of an ad valorem property tax and is not subject to the limits stated in Section 17B-2a-1006.

Section 19. Section **59-2-1301.5** is enacted to read:

59-2-1301.5. Definitions.

As used in this part:

(1) "Tax notice charge" means an amount that:

(a) a property owner owes to a tax notice charge entity in relation to real property; and

(b) the county treasurer lists on the property tax notice in accordance with Section 59-2-1317 or another statutory authorization allowing the item's inclusion on the property tax notice.

(2) "Tax notice charge entity" means the entity that certifies to the county treasurer an outstanding amount that:

(a) a property owner owes to the entity in relation to the property; and

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(b) the county treasurer lists on the property tax notice as a tax notice charge.

Section 20. Section **59-2-1305** is amended to read:

59-2-1305. Entries of payments made -- Payments to county treasurer.

(1) The assessor or, if this duty has been reassigned in an ordinance under Section 17-16-5.5, the treasurer shall note on the assessment roll, opposite the names of each person against whom taxes have been assessed or tax notice charges have been listed, the amount of the taxes and tax notice charges paid.

(2) (a) The assessor or treasurer, as the case may be, shall require all checks to be made payable to the office of the county assessor or treasurer, respectively.

(b) If the assessor or treasurer receives checks made payable to a payee other than the office of the county assessor or treasurer, respectively, the assessor or treasurer, as the case may be, shall immediately endorse the check with a restrictive endorsement that makes the check payable to the office of the county treasurer.

(3) The assessor shall deposit all money the assessor collects into an account controlled by the county treasurer.

Section 21. Section **59-2-1317** is amended to read:

59-2-1317. Tax notice -- Contents of notice -- Procedures and requirements for providing notice.

(1) As used in this section, "political subdivision lien" means the same as that term is defined in Section 11-58-102.

~~(1)~~ (2) Subject to the other provisions of this section, the county treasurer shall:

(a) collect the taxes and tax notice charges; and

(b) provide a notice to each taxpayer that contains the following:

(i) the kind and value of property assessed to the taxpayer;

(ii) the street address of the property, if available to the county;

(iii) that the property may be subject to a detailed review in the next year under Section 59-2-303.1;

(iv) the amount of taxes levied;

(v) a separate statement of the taxes levied only on a certain kind or class of property for a special purpose;

(vi) property tax information pertaining to taxpayer relief, options for payment of

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taxes, and collection procedures;

(vii) any tax notice charges applicable to the property, including:

(A) if applicable, a political subdivision lien for road damage that a railroad company causes, as described in Section 10-7-30~~(f)~~;

(B) if applicable, a political subdivision lien for municipal water distribution, as described in Section 10-8-17, or a political subdivision lien for an increase in supply from a municipal water distribution, as described in Section 10-8-19;

(C) if applicable, a political subdivision lien for unpaid abatement fees as described in Section 10-11-4;

~~[(vii)]~~ (D) if applicable, [the amount] a political subdivision lien for the unpaid portion of an assessment assessed in accordance with [Section 11-42-401;] Title 11, Chapter 42, Assessment Area Act, or Title 11, Chapter 42a, Commercial Property Assessed Clean Energy Act, including unpaid costs, charges, and interest as of the date the local entity certifies the unpaid amount to the county treasurer;

~~[(viii)]~~ (E) if applicable, for a local district in accordance with Section 17B-1-902, a political subdivision lien for an unpaid fee, administrative cost, or interest [for a local district in accordance with Section 17B-1-902];

(F) if applicable, a political subdivision lien for an unpaid irrigation district use charge as described in Section 17B-2a-506; and

(G) if applicable, a political subdivision lien for a contract assessment under a water contract, as described in Section 17B-2a-1007;

(viii) a statement that, due to potentially ongoing charges, costs, penalties, and interest, payment of a tax notice charge may not:

(A) pay off the full amount the property owner owes to the tax notice entity; or

(B) cause a release of the lien underlying the tax notice charge;

(ix) the date the taxes and tax notice charges are due;

(x) the street address at which the taxes and tax notice charges may be paid;

(xi) the date on which the taxes and tax notice charges are delinquent;

(xii) the penalty imposed on delinquent taxes and tax notice charges;

(xiii) a statement that explains the taxpayer's right to direct allocation of a partial payment in accordance with Subsection ~~[(7)]~~ (9);

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(xiv) other information specifically authorized to be included on the notice under this chapter; and

(xv) other property tax information approved by the commission.

(3) (a) Unless expressly allowed under this section or another statutory provision, the treasurer may not add an amount to be collected to the property tax notice.

(b) If the county treasurer adds an amount to be collected to the property tax notice under this section or another statutory provision that expressly authorizes the item's inclusion on the property tax notice:

(i) the amount constitutes a tax notice charge; and

(ii) (A) the tax notice charge has the same priority as property tax; and

(B) a delinquency of the tax notice charge triggers a tax sale, in accordance with Section 59-2-1343.

~~[(2)]~~ (4) For any property for which property taxes or tax notice charges are delinquent, the notice described in Subsection ~~[(1)]~~ (2) shall state, "Prior taxes or tax notice charges are delinquent on this parcel."

~~[(3)]~~ (5) Except as provided in Subsection ~~[(4)]~~ (6), the county treasurer shall:

(a) mail the notice required by this section, postage prepaid; or

(b) leave the notice required by this section at the taxpayer's residence or usual place of business, if known.

~~[(4)]~~ (6) (a) Subject to the other provisions of this Subsection ~~[(4)]~~ (6), a county treasurer may, at the county treasurer's discretion, provide the notice required by this section by electronic mail if a taxpayer makes an election, according to procedures determined by the county treasurer, to receive the notice by electronic mail.

(b) A taxpayer may revoke an election to receive the notice required by this section by electronic mail if the taxpayer provides written notice to the treasurer on or before October 1.

(c) A revocation of an election under this section does not relieve a taxpayer of the duty to pay a tax or tax notice charge due under this chapter on or before the due date for paying the tax or tax notice charge.

(d) A county treasurer shall provide the notice required by this section using a method described in Subsection ~~[(3)]~~ (5), until a taxpayer makes a new election in accordance with this Subsection ~~[(4)]~~ (6), if:

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(i) the taxpayer revokes an election in accordance with Subsection ~~[(4)]~~ (6)(b) to receive the notice required by this section by electronic mail; or

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

(e) A person is considered to be a taxpayer for purposes of this Subsection ~~[(4)]~~ (6) regardless of whether the property that is the subject of the notice required by this section is exempt from taxation.

~~[(5)]~~ (7) (a) The county treasurer shall provide the notice required by this section to a taxpayer on or before November 1.

(b) The county treasurer shall keep on file in the county treasurer's office the information set forth in the notice.

(c) The county treasurer is not required to mail a tax receipt acknowledging payment.

~~[(6)]~~ (8) This section does not apply to property taxed under Section 59-2-1302 or 59-2-1307.

~~[(7)]~~ (9) (a) A taxpayer who pays less than the full amount due on the taxpayer's property tax notice may, on a form provided by the county treasurer, direct how the county treasurer allocates the partial payment between:

(i) the total amount due for property tax;

(ii) the amount due for assessments~~;~~ ~~(iii) the amount due for~~, past due local district fees~~;~~, and other tax notice charges; and

~~[(iv)]~~ (iii) any other amounts due on the property tax notice.

(b) The county treasurer shall comply with a direction submitted to the county treasurer in accordance with Subsection ~~[(7)]~~ (9)(a).

(c) The provisions of this Subsection ~~[(7)]~~ (9) do not:

(i) affect the right or ability of a local entity to pursue any available remedy for non-payment of any item listed on a taxpayer's property tax notice; or

(ii) toll or otherwise change any time period related to a remedy described in Subsection ~~[(7)]~~ (9)(c)(i).

Section 22. Section **59-2-1323** is amended to read:

59-2-1323. Undivided interests in real estate -- Interest of delinquent co-owner only to be sold.

(1) The county treasurer shall issue a receipt showing the interest on which taxes or tax

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notice charges are paid to any person paying taxes on an undivided interest in real estate.

(2) If any portion of the taxes or tax notice charges on the real estate [~~remains~~] remain unpaid, it is the duty of the treasurer to sell only the undivided interest in the real estate which belongs to the co-owners who have not paid their portion of the tax.

Section 23. Section **59-2-1324** is amended to read:

59-2-1324. Taxes and tax notice charges to be paid before distribution of estate of a deceased person.

(1) The district court shall require every administrator or executor to pay out of the funds of the estate all taxes and tax notice charges due from the estate.

(2) No order or decree for the distribution of any property of any decedent among the heirs or devisees may be made until all taxes and tax notice charges against the estate are paid.

Section 24. Section **59-2-1326** is amended to read:

59-2-1326. Illegal tax and tax notice charges -- Injunction to restrain collection.

(1) No injunction may be granted by any court to restrain the collection of any tax [~~or~~], any part of the tax, or any tax notice charge, nor to restrain the sale of any property for the nonpayment of the tax or tax notice charge, unless the tax or tax notice charge, or some part of the tax or tax notice charge sought to be enjoined:

- (a) is not authorized by law; or
- (b) is on property which is exempt from taxation.

(2) If the payment of a part of a tax or tax notice charge is sought to be enjoined, the other part shall be paid or tendered before any action may be commenced.

Section 25. Section **59-2-1327** is amended to read:

59-2-1327. Payment of tax or tax notice charge under protest -- Circumstances where authorized -- Action to recover tax or tax notice charge paid.

(1) Where [~~a tax is demanded or enforced by~~] a taxing entity demands or enforces a tax or where an entity responsible for a tax notice charge demands or enforces the tax notice charge, and the person whose property is taxed or charged claims the tax or tax notice charge is unlawful, that person may pay the tax or tax notice charge under protest to the county treasurer.

(2) The person may then bring an action in the district court against the officer or taxing entity to recover the tax or tax notice or any portion of the tax or tax notice charge paid under protest.

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Section 26. Section **59-2-1331** is amended to read:

59-2-1331. Property tax due date -- Date tax is delinquent -- Penalty -- Interest -- Payments -- Refund of prepayment.

(1) (a) Except as provided in Subsection (1)(b) and subject to Subsections (1)(c) and (d), all property taxes, unless otherwise specifically provided for under Section 59-2-1332, or other law, and any tax notice charges, are due on November 30 of each year following the date of levy.

(b) If November 30 falls on a Saturday, Sunday, or holiday:

(i) the date of the next following day that is not a Saturday, Sunday, or holiday shall be substituted in Subsection (1)(a) and Subsection 59-2-1332(1) for November 30; and

(ii) the date of the day occurring 30 days after the date under Subsection (1)(b)(i) shall be substituted in Subsection 59-2-1332(1) for December 30.

(c) If a property tax is paid or postmarked after the due date described in this Subsection (1) the property tax is delinquent.

(d) A county treasurer or other public official, public entity, or public employee may not require the payment of a property tax before the due date described in this Subsection (1).

(2) (a) Except as provided in [~~Subsection~~] Subsections (2)(e) and (f), for each parcel, all delinquent taxes and tax notice charges on each separately assessed parcel are subject to a penalty of 2.5% of the amount of the delinquent taxes and tax notice charges or \$10, whichever is greater.

(b) Unless the delinquent taxes and tax notice charges, together with the penalty, are paid on or before January 31, the amount of taxes and tax notice charges and penalty shall bear interest on a per annum basis from the January 1 immediately following the delinquency date.

(c) Except as provided in Subsection (2)(d), for purposes of Subsection (2)(b), the interest rate is equal to the sum of:

(i) 6%; and

(ii) the federal funds rate target:

(A) established by the Federal Open Markets Committee; and

(B) that exists on the January 1 immediately following the date of delinquency.

(d) The interest rate described in Subsection (2)(c) may not be:

(i) less than 7%; or

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(ii) more than 10%.

(e) The penalty described in Subsection (2)(a) is 1% of the amount of the delinquent taxes and tax notice charges or \$10, whichever is greater, if all delinquent taxes, all tax notice charges, and the penalty are paid on or before the January 31 immediately following the delinquency date.

(f) This section does not apply to the costs, charges, and interest rate accruing on any tax notice charge related to an assessment assessed in accordance with:

(i) Title 11, Chapter 42, Assessment Area Act; or

(ii) Title 11, Chapter 42a, Commercial Property Assessed Clean Energy Act.

(3) (a) If the delinquency exceeds one year, the amount of taxes, tax notice charges, and penalties for that year and all succeeding years shall bear interest until settled in full through redemption or tax sale.

(b) The interest rate to be applied shall be calculated for each year as established under Subsection (2) and shall apply on each individual year's delinquency until paid.

(4) The county treasurer may accept and credit on account against taxes and tax notice charges becoming due during the current year, at any time before or after the tax rates are adopted, but not subsequent to the date of delinquency, either:

(a) payments in amounts of not less than \$10; or

(b) the full amount of the unpaid tax and tax notice charges.

(5) (a) At any time before the county treasurer provides the tax notice described in Section 59-2-1317, the county treasurer may refund amounts accepted and credited on account against taxes and tax notice charges becoming due during the current year.

(b) Upon recommendation by the county treasurer, the county legislative body shall adopt rules or ordinances to implement the provisions of this Subsection (5).

Section 27. Section **59-2-1332** is amended to read:

59-2-1332. Extension of date of delinquency.

(1) (a) The county legislative body may, upon a petition of not less than 100 taxpayers or upon its own motion for good cause, by proclamation, extend the property tax due date from November 30 to noon on December 30.

(b) If the county legislative body extends the property tax due date under Subsection (1)(a), the county legislative body shall publish a notice of the proclamation covering this

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extension:

(i) in a newspaper of general circulation in the county in at least two issues before November 1 of the year in which the taxes are to be paid; and

(ii) in accordance with Section 45-1-101 for two weeks before November 1.

(2) In all cases where the county legislative body extends the property tax due date under Subsection (1), the date for the selling of property to the county for delinquent taxes or tax notice charges shall be extended 30 days from the dates provided by law.

Section 28. Section **59-2-1332.5** is amended to read:

59-2-1332.5. Mailing notice of delinquency or publication of delinquent list --

Contents -- Notice -- Definitions.

(1) As used in this section, "business entity" means:

(a) an association;

(b) a corporation;

(c) a limited liability company;

(d) a partnership;

(e) a trust; or

(f) a business entity similar to Subsections (1)(a) through (e).

~~(1)~~ (2) The county treasurer shall provide notice of delinquency in the payment of property taxes and tax notice charges:

(a) except as provided in Subsection ~~[(4)]~~ (5), on or before December 31 of each calendar year; and

(b) in a manner described in Subsection ~~[(2)]~~ (3).

~~[(2)-A]~~ (3) The notice [of delinquency in the payment of property taxes] described in Subsection (2) shall be provided by:

(a) (i) mailing a written notice that includes the information described in Subsection ~~[(3)]~~ (4)(a), postage prepaid, to:

(A) each delinquent taxpayer; and

(B) if the delinquent property taxes or tax notice charges are assessed on a base parcel, the record owner of each subdivided lot; and

(ii) making available to the public a list of delinquencies in the payment of property taxes:

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(A) by electronic means; and

(B) that includes the information required by Subsection [~~(3)~~] (4)(b); or

(b) publishing a list of delinquencies in the payment of property taxes and tax notice charges:

(i) in one issue of a newspaper having general circulation in the county;

(ii) that lists each delinquency in alphabetical order by:

(A) the last name of the delinquent taxpayer; or

(B) if the delinquent taxpayer is a business entity, the name of the business entity; and

(iii) that includes the information described in Subsection [~~(3)~~] (4)(b).

[~~(3)~~] (4) (a) A written notice of delinquency [~~in the payment of property taxes~~] described in Subsection [~~(2)~~] (3)(a)(i) shall include:

(i) a statement that delinquent taxes and tax notice charges are due;

(ii) the amount of delinquent taxes and tax notice charges due, not including any penalties imposed in accordance with this chapter;

(iii) (A) the name of the delinquent taxpayer; or

(B) if the delinquent taxpayer is a business entity, the name of the business entity;

(iv) (A) a description of the delinquent property; or

(B) the property identification number of the delinquent property;

(v) a statement that a penalty shall be imposed in accordance with this chapter; and

(vi) a statement that interest accrues as of January 1 following the date of the delinquency unless on or before January 31 the following are paid:

(A) the delinquent taxes and tax notice charges; and

(B) the penalty.

(b) The list of delinquencies described in Subsection [~~(2)~~] (3)(a)(ii) or [~~(2)~~] (3)(b) shall include:

(i) the amount of delinquent taxes and tax notice charges due, not including any penalties imposed in accordance with this chapter;

(ii) (A) the name of the delinquent taxpayer; or

(B) if the delinquent taxpayer is a business entity, the name of the business entity;

(iii) (A) a description of the delinquent property; or

(B) the property identification number of the delinquent property;

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(iv) a statement that a penalty shall be imposed in accordance with this chapter; and
(v) a statement that interest accrues as of January 1 following the date of the delinquency unless on or before January 31 the following are paid:

- (A) the delinquent taxes and tax notice charges; and
- (B) the penalty.

~~[(4)]~~ (5) Notwithstanding Subsection ~~[(1)]~~ (2)(a), if the county legislative body extends the property tax due date under Subsection 59-2-1332(1), the notice of delinquency ~~[in the payment of property taxes]~~ described in Subsection (2) shall be provided on or before January 10.

~~[(5)]~~ (6) (a) In addition to the notice of delinquency ~~[in the payment of property taxes]~~ required by Subsection ~~[(1)]~~ (2), a county treasurer may in accordance with this Subsection ~~[(5)]~~ (6) mail a notice that property taxes are delinquent:

- (i) to:
 - (A) a delinquent taxpayer;
 - (B) an owner of record of the delinquent property;
 - (C) any other interested party that requests notice; or
 - (D) a combination of Subsections ~~[(5)]~~ (6)(a)(i)(A) through (C); and
- (ii) at any time that the county treasurer considers appropriate.

(b) A notice mailed in accordance with this Subsection ~~[(5)]~~ (6):

- (i) shall include the information required by Subsection ~~[(3)]~~ (4)(a); and
- (ii) may include any information that the county treasurer finds is useful to the owner of record of the delinquent property in determining:

- (A) the status of taxes and tax notice charges owed on the delinquent property;
- (B) any penalty that is owed on the delinquent property;
- (C) any interest charged under Section 59-2-1331 on the delinquent property; or
- (D) any related matters concerning the delinquent property.

~~[(6) As used in this section, "business entity" means:]~~

~~[(a) an association;]~~

~~[(b) a corporation;]~~

~~[(c) a limited liability company;]~~

~~[(d) a partnership;]~~

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~~[(e) a trust; or]~~

~~[(f) a business entity similar to Subsections (6)(a) through (e).]~~

Section 29. Section **59-2-1333** is amended to read:

59-2-1333. Errors or omissions -- In assessment book -- Authority to correct.

An omission, error, defect in form in the assessment roll, or clerical error, when it can be ascertained what was intended, may, with the consent of the county legislative body, be supplied or corrected by the assessor at any time ~~[prior to]~~ before the sale for delinquent taxes or tax notice charges and after the original assessment or tax notice charge listing was made.

Section 30. Section **59-2-1335** is amended to read:

59-2-1335. Abbreviations permitted in proceedings.

(1) (a) In all proceedings relating to assessment, levy, or collection of taxes or relating to the listing or collection of tax notice charges, the subjection of any property to a charge for taxes of any nature or for tax notice charges, or the advertisement and sale of any property for taxes or tax notice charges, the following initial letters, abbreviations, symbols, and figures may be used.

(b) The meaning of the initial letters, abbreviations, symbols, and figures is shown by the word or words placed opposite the initial letters, abbreviations, symbols, and figures:

- a., ac..... acre, acres
- add. addition
- ave..... avenue
- beg..... beginning
- blk..... block
- bet..... between
- bdy., bdrs..... boundary, boundaries
- ch., chs..... chain, chains
- com..... commencing
- cont..... containing
- deg. or degree symbol..... degree, degrees
- dist..... distance
- E..... east
- E'ly..... easterly

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ft.....	foot, feet
frac.....	fractional
in., ins.....	inch, inches
lk., lks.....	link, links
lt., lts.....	lot, lots
m., min., or.'.....	minute, minutes
m. or l.....	more or less
N.....	north
NE.....	northeast
NE'ly.....	northeasterly
N'ly.....	northerly
NW.....	northwest
NW'ly.....	northwesterly
pt.....	point
1/4 sec.....	quarter section
r., rs.....	range, ranges
rd., rds.....	rod, rods
R. of W.....	right-of-way
s. or ".....	second, seconds
S.....	south
SE.....	southeast
SE'ly.....	southeasterly
S'ly.....	southerly
st.....	street
sub.....	subdivision
S.L.M.....	Salt Lake Meridian
SW.....	southwest
t., tp., tps.....	township, townships
th.....	thence
U.S. sur.....	United State Survey
U.S.M.....	Uintah Special Meridian

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W..... west

W'ly..... westerly

(2) Where the name of any railroad or railroad company is commonly referred to by the initial letters of the word constituting the name of the railroad, the initial letters may be used as an abbreviation for the full name of the railroad or railroad company in all cases where the name is used in the description of property.

(3) (a) Commonly accepted initial letters, abbreviations, symbols, and figures having local significance may be used.

(b) Any initial letters, abbreviations, symbols, and figures shall first be approved by the commission.

(c) A written or printed explanation of initial letters, abbreviations, symbols, and figures shall appear in each assessment roll in which they are used and shall be published with each separate advertisement and sale for taxes or tax notice charges in which they are used.

Section 31. Section **59-2-1338** is amended to read:

59-2-1338. Record of delinquent taxes -- Contents of record.

(1) The treasurer shall prepare the official record of delinquent taxes and tax notice charges in the same order as property appears on the assessment rolls.

(2) The record shall show:

(a) the name of the person to whom the property is assessed;

(b) the description of the delinquent parcel, and a reference to the parcel, serial, or account number under which the property was listed in the assessment roll;

(c) the amount of delinquent taxes and tax notice charges, penalties, and administrative costs; and

(d) the date of redemption and by whom the property is redeemed.

~~[(2)]~~ (3) The record shall also provide space for entering delinquent taxes assessed and tax notice charges listed in subsequent years against each parcel which remains unredeemed.

~~[(3)]~~ (4) Taxes levied only on a certain kind or class of property for a special purpose and tax notice charges shall be separately set out.

Section 32. Section **59-2-1339** is amended to read:

59-2-1339. Form of treasurer's certificate -- Contents of form.

(1) On or before March 15 the treasurer shall complete the official record of delinquent

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taxes and tax notice charges and attach the treasurer's certificate to the record.

(2) The certificate shall be substantially in the following form:

State of Utah ()

ss.

County of ()

I, _____, county treasurer of the county of _____, state of Utah, do certify that to the best of my knowledge the attached record is a full, true, and correct record and constitutes the official record of all properties which became delinquent for the year _____, and shows in the same order as the property appears on the assessment roll, the name of the person to whom the property is assessed, the description of the delinquent parcel and a reference to the parcel, serial, or account number under which the property was listed in the assessment roll, the amount of taxes, tax notice charges, penalties, administrative costs, the date of redemption, and by whom the property was redeemed if any redemption has been made.

Signature _____

County Treasurer of _____ County

~~(2)~~ (3) The official record shall be maintained in the treasurer's office and shall include any subsequent delinquent taxes, tax notice charges, penalties, administrative costs, and redemptions pertaining to the properties listed thereon.

Section 33. Section **59-2-1342** is amended to read:

59-2-1342. Assessment and sale of property after attachment of county tax lien and tax notice charges.

(1) Property against which a property tax delinquency exists shall be assessed in subsequent years for taxes in the same manner as if no delinquency existed.

(2) Property against which a delinquency exists for tax notice charges may still accrue tax notice charges as if no delinquency existed.

~~(2)~~ (3) The rights of any person purchasing the property from the county at tax sale provided under Section 59-2-1351.1 are subject to the right of the county under any subsequent assessment and of any tax notice charge entity.

Section 34. Section **59-2-1343** is amended to read:

59-2-1343. Tax sale listing.

(1)(a) If any property is not redeemed by March 15 following the lapse of four years

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from the date when [~~the property tax~~] any item in Subsection (1)(b) became delinquent, the county treasurer shall immediately file a listing with the county auditor of all properties whose redemption period is expiring in the nearest forthcoming tax sale to pay all outstanding property taxes and tax notice charges.

(b) A delinquency of any of the following triggers the tax sale process described in Subsection (1)(a):

(i) property tax; or

(ii) a tax notice charge.

(2) The listing is known as the "[Tax Sale Listing] tax sale listing."

Section 35. Section **59-2-1345** is amended to read:

59-2-1345. Daily statement of accounts -- Audits.

(1) Between March 15 and the date of the tax sale, the county treasurer shall transmit daily to the county auditor a statement of the amount of money received by the treasurer during the preceding business day on account of redemptions made on property listed for tax sale.

(2) The statement described in Section (1) shall set out in separate columns:

(a) the number of the redemption certificate or the receipt issued on account for redemption;

(b) the amount received for taxes, tax notice charges, penalties, and administrative costs accrued to the date of the making of the tax sale record;

(c) the amount received for administrative costs subsequently accruing; and

(d) the amount received as interest accrued.

~~(2)~~ (3) The county auditor shall audit the treasurer's tax sale records at least once a year and the treasurer shall account to the auditor for all money due the county by reason of any redemptions or payments on account for redemption made, including interest as required by law.

~~(3)~~ (4) Before the tax sale listing under Section 59-2-1343 is compiled, the auditor shall credit the treasurer upon the books of the county with the sums charged for delinquent taxes, tax notice charges, penalties, and administrative costs charged against all real estate upon which the period of redemption is expiring in the nearest forthcoming tax sale.

Section 36. Section **59-2-1346** is amended to read:

59-2-1346. Redemption -- Time allowed.

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(1) Property may be redeemed on behalf of the record owner by any person at any time before the tax sale which shall be held in May or June as provided in Section 59-2-1351 following the lapse of four years from the date the property tax or tax notice charges became delinquent.

(2) A person may redeem property by paying to the county treasurer all delinquent taxes, tax notice charges, interest, penalties, and administrative costs that have accrued on the property.

(3) (a) Subject to Subsection (3)(d), a person may redeem a subdivided lot by paying the county treasurer the subdivided lot's proportional share of the delinquent taxes, tax notice charges, interest, penalties, and administrative costs accrued on the base parcel, calculated in accordance with Subsection (3)(b).

(b) The county treasurer shall calculate the amount described in Subsection (3)(a) by comparing:

(i) the amount of the value of the base parcel as described in Subsection (3)(b)(ii) that is attributable to the property that comprises the subdivided lot as the property existed on January 1 of the year in which the delinquent property taxes on the base parcel were assessed or tax notice charges on the base parcel were listed; and

(ii) the value of the base parcel as it existed on January 1 of the year in which the delinquent property taxes on the base parcel were assessed or tax notice charges on the base parcel were listed.

(c) If the county treasurer does not have sufficient information to calculate the amount described in Subsection (3)(a)(i), upon request from the county treasurer, the county assessor shall provide the county treasurer any information necessary to calculate the amount described in Subsection (3)(a)(i).

(d) A person may redeem a subdivided lot under this Subsection (3) only if the record owner of the subdivided lot is a bona fide purchaser.

(4) (a) At any time before the expiration of the period of redemption the county treasurer shall accept and credit on account for the redemption of property, payments in amounts of not less than \$10, except for the final payment, which may be in any amount.

(b) For the purpose of computing the amount required for redemption and for the purpose of distributing the payments received on account, all payments shall be applied in the

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following order:

~~[(a)]~~ (i) against the interest and administrative costs accrued on the delinquent tax for the last year included in the delinquent account at the time of payment;

~~[(b)]~~ (ii) against the penalty charged on the delinquent tax for the last year included in the delinquent account at the time of payment;

~~[(c)]~~ (iii) against the delinquent tax for the last year included in the delinquent account at the time of payment;

~~[(d)]~~ (iv) against the interest and administrative costs accrued on the delinquent tax for the next to last year included in the delinquent account at the time of payment; and

~~[(e) and]~~ (v) so on until the full amount of the delinquent taxes, tax notice charges, penalties, administrative costs, and interest on the unpaid balances are paid within the period of redemption.

Section 37. Section **59-2-1349** is amended to read:

59-2-1349. Co-owners -- Procedures for redemption.

If two or more persons own an undivided interest in property on which a tax or tax notice charge delinquency exists, any owner may redeem the owner's interest in the property upon payment of that portion of the taxes, tax notice charges, interest, penalties, and administrative costs which the owner's interest bears to the whole, as determined by the county legislative body.

Section 38. Section **59-2-1351** is amended to read:

59-2-1351. Sales by county -- Notice of tax sale -- Entries on record.

(1) (a) Upon receiving the tax sale listing from the county treasurer, the county auditor shall ~~+~~select a date for the tax sale for all real property on which a tax or tax notice charge delinquency exists that was not previously redeemed and upon which the period of redemption is expiring in the nearest tax sale.

(b) The tax sale shall be conducted in May or June of the current year.

(2) Notice of the tax sale shall be provided as follows:

(a) sent by certified and first class mail to the last-known recorded owner, the occupant of any improved property, and all other interests of record, as of the preceding March 15, at their last-known address; and

(b) published:

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(i) four times in a newspaper published and having general circulation in the county, once in each of four successive weeks immediately preceding the date of sale; and

(ii) in accordance with Section 45-1-101 for four weeks immediately preceding the date of sale; and

(c) if no newspaper is published in the county, posted in five public places in the county, as determined by the auditor, at least 25 but no more than 30 days prior to the date of sale.

(3) The notice shall be in substantially the following form:

NOTICE OF TAX SALE

Notice is hereby given that on _____ (month\day\year), at ___ o'clock __. m., at the front door of the county courthouse in ____ County, Utah, I will offer for sale at public auction and sell to the highest bidder for cash, under the provisions of Section 59-2-1351.1, the following described real property located in the county and now delinquent and subject to tax sale. A bid for less than the total amount of taxes, tax notice charges, interest, penalty, and administrative costs which are a charge upon the real estate will not be accepted.

(Here describe the real estate)

IN WITNESS WHEREOF I have hereunto set my hand and official seal on _____ (month\day\year).

County Auditor

County

(4) (a) The notice sent by certified mail in accordance with Subsection (2)(a) shall include:

(i) the name and last-known address of the last-known recorded owner of the property to be sold;

(ii) the parcel, serial, or account number of the delinquent property; and

(iii) the legal description of the delinquent property.

(b) The notice published in a newspaper in accordance with Subsection (2)(b) shall include:

(i) the name and last-known address of the last-known recorded owner of each parcel

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of property to be sold; and

(ii) the street address or the parcel, serial, or account number of the delinquent parcels.

Section 39. Section **59-2-1351.1** is amended to read:

59-2-1351.1. Tax sale -- Combining certain parcels -- Acceptable bids -- Deeds.

(1) (a) At the time specified in the notice the auditor shall:

(i) attend at the place appointed, offer for sale, and sell all real property for which an acceptable bid is made; and

(ii) refuse to offer a parcel of real property for sale if the description of the real property is so defective as to convey no title.

(b) The auditor may post at the place of sale a copy of the published list of real property to be offered and cry the sale by reference to the list rather than crying each parcel separately.

(2) (a) The tax commission shall establish, by rule, minimum procedural standards applicable to tax sales.

(b) For matters not addressed by commission rules, the county legislative body, upon recommendation by the county auditor, shall establish procedures, by ordinance, for the sale of the delinquent property that best protect the financial interest of the delinquent property owner and meet the needs of local governments to collect delinquent property taxes and tax notice charges due.

(3) The county governing body may authorize the auditor to combine for sale two or more contiguous parcels owned by the same party when:

(a) the parcels are a single economic or functional unit;

(b) the combined sale will best protect the financial interests of the delinquent property owner; and

(c) separate sales will reduce the economic value of the unit.

(4) The governing body may accept any of the following bids:

(a) the highest bid amount for the entire parcel of property, however, a bid may not be accepted for an amount which is insufficient to pay the taxes, tax notice charges, penalties, interest, and administrative costs; or

(b) a bid in an amount sufficient to pay the taxes, tax notice charges, penalties, interest, and administrative costs, for less than the entire parcel.

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(i) The bid which shall be accepted shall be the bid of the bidder who will pay in cash the full amount of the taxes, tax notice charges, penalties, interest, and administrative costs for the smallest portion of the entire parcel.

(ii) The county auditor at the tax sale or the county legislative body following the tax sale shall reject a bid to purchase a strip of property around the entire perimeter of the parcel, or a bid to purchase a strip of the parcel which would prevent access to the remainder of the parcel by the redemptive owner or otherwise unreasonably diminish the value of that remainder.

(iii) If the bid accepted is for less than the entire parcel, the auditor shall note the fact, with a description of the property covered by the bid, upon the tax sale record and the balance of the parcel not affected by the bid shall be considered to have been redeemed by the owner.

(5) The county legislative body may decide that none of the bids are acceptable.

(6) (a) Once the county auditor has closed the sale of a particular parcel of property as a result of accepting a bid on the parcel, the successful bidder or purchaser of the property may not unilaterally rescind the bid.

(b) The county legislative body, after acceptance of a bid, may enforce the terms of the bid by obtaining a legal judgment against the purchaser in the amount of the bid, plus interest and attorney's fees.

(7) Any sale funds which are in excess of the amount required to satisfy the delinquent taxes, tax notice charges, penalties, interest, and administrative costs of the delinquent property shall be treated as unclaimed property under Title 67, Chapter 4a, Unclaimed Property Act.

(8) All money received upon the sale of property made under this section shall be paid into the county treasury, and the treasurer shall settle with the taxing entities and tax notice charge entities as provided in Section 59-2-1366.

(9) (a) The county auditor shall, after acceptance by the county governing body, and in the name of the county, execute deeds conveying in fee simple all property sold at the public sale to the purchaser and attest this with the auditor's seal.

(b) Deeds issued by the county auditor under this section shall recite the following:

(i) the total amount of all the delinquent taxes, tax notice charges, penalties, interest, and administrative costs which were paid in for the execution and delivery of the deed;

(ii) the year for which the property was assessed or a tax notice charge was listed, the

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year the property became delinquent, and the year the property was subject to tax sale;

- (iii) a full description of the property; and
- (iv) the name of the grantee.

~~[(b)]~~ (c) When the deed is executed and delivered by the auditor, it shall be prima facie evidence of the regularity of all proceedings subsequent to the date the taxes or tax notice charges initially became delinquent and of the conveyance of the property to the grantee in fee simple.

~~[(c)]~~ (d) The deed issued by the county auditor under this section shall be recorded by the county recorder.

~~[(d)]~~ (e) The fee for the recording shall be included in the administrative costs of the sale.

~~[(e)]~~ (f) The deed shall be substantially in the following form:

TAX DEED

___ County, a body corporate and politic of the state of Utah, grantor, hereby conveys to ___, grantee, of ___ the following described real estate in ___ County, Utah:

(Here describe the property conveyed)

This conveyance is made in consideration of payment by the grantee of \$___, representing the total amount owing for delinquent taxes, delinquent tax notice charges, penalties, interest, and administrative costs constituting a charge against the real property for nonpayment of general taxes assessed against it for the years ___ through ___ in the sum of \$___.

Dated _____(month\day\year).

(Auditor's Seal)

County _____

By _____

County Auditor

Section 40. Section **59-2-1351.5** is amended to read:

59-2-1351.5. Disposition of property struck off to county.

(1) (a) All property acquired by the county under this part may be disposed of for a price and upon terms determined by the county legislative body.

(b) If property is sold under a contract of sale and title remains in the county, the equity

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of the purchaser shall be subject to taxation as other taxable property.

(c) The county clerk may execute deeds for all property sold under this subsection in the name of the county and attest the same by seal, vesting in the purchaser all of the title of all taxing entities in the real estate so sold.

(d) (i) Money received from the sale of property under this section shall first be applied to the cost of administering and supervising the property.

(ii) Any remaining money shall be apportioned to:

(A) state and other taxing entities with an interest in the taxes last levied upon the property in proportion to their respective interests in the taxes[-]; and

(B) tax notice charge entities in proportion to the entities' respective tax notice charges.

(iii) The treasurer shall settle with the taxing entities and tax notice charge entities on funds remaining as provided in Section 59-2-1366.

(iv) Money in excess of claims under this subsection shall be paid to the state treasurer and treated as unclaimed property under Title 67, Chapter 4a, Unclaimed Property Act.

(2) (a) The county legislative body may rent or lease any property held in the name of the county any time after the tax sale for a price and upon terms determined by the governing body.

(b) Lands leased may be sold at the discretion of the county executive, with the approval of the county legislative body, during the term of the lease, but any sale shall be made subject to the lease.

(c) The county executive, with the approval of the county legislative body, may enter into leasehold terms for asphalt, oil, or gas that the county considers to be in the best interest of the county as long as:

(i) the mineral, asphalt, oil, or gas is produced from, or attributable to, the property leased; and

(ii) each lease for oil and gas reserves a royalty of not less than 12-1/2%.

(d) If considered to be in the best interests of the county, the county executive may:

(i) enter into agreements for the pooling or unitizing of acreage with others for unit operations for the production of oil or gas, or both, and for the apportionment of oil or gas royalties, or both, on an acreage or other equitable basis; and

(ii) with the consent of its lessee, change any and all terms of leases issued by it to

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facilitate the efficient and economic production of oil and gas from the property under its jurisdiction.

(e) All leases for mineral, asphalt, or oil and gas already entered into by county governing bodies are ratified.

(3) (a) Money received as rents from the rental or leasing of property held in the name of the county shall first be applied to the cost of administering and supervising the property.

(b) Any remaining money shall be apportioned to:

(i) state and other taxing entities with an interest in the taxes last levied upon the property in proportion to their respective interests in the taxes[-]; and

(ii) tax notice charge entities in proportion to the entities' respective tax notice charges.

(c) The treasurer shall settle with the taxing entities and tax notice charge entities on funds remaining as provided in Section 59-2-1366.

(d) Money in excess of these claims shall be paid to the state treasurer and treated as unclaimed property under Title 67, Chapter 4a, Unclaimed Property Act.

Section 41. Section **59-2-1352** is amended to read:

59-2-1352. Purchaser of invalid tax title -- Purchaser's lien -- Extent of lien -- Priority of lien -- Foreclosure of lien.

(1) Every person who has purchased or purchases any invalid tax title to any real property in this state shall, from the effective date of this part, have a lien against the property for the recovery of the amount of the purchase price paid to the county to the extent that the county would have a lien prior to the sale by the county, but in no event may the lien be greater than the amount of taxes, tax notice charges, interest, and penalties, or the amount actually paid, whichever is smaller.

(2) Taxes and tax notice charges paid by the purchaser for subsequent years after the purchase from the county shall be included in the amount secured by the lien which has not already been recovered.

(3) The lien shall have the same priority against the property as the lien for the delinquent taxes and tax notice charges which were liquidated by the purchase except that it may not have preference over any right, title, interest in, or lien against, the property acquired since the purchase of the tax title for value and without notice, and the lien shall bear interest at the legal rate for a period of not to exceed four years.

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(4) The lien shall be foreclosed in any action in which the invalidity of the tax title is determined.

(5) If the lien is not foreclosed at the time of the determination of the invalidity of the tax title, any later action to foreclose the lien shall be barred.

Section 42. Section **59-2-1353** is amended to read:

59-2-1353. Foreclosure of lien claimed by county -- Time -- Venue -- Parties -- Pleading.

(1) In all cases where any county claims a lien on real estate for delinquent general taxes or tax notice charges which have not been paid for a period of four years, the county may foreclose the lien by an action in the district court of the county in which the real estate is located.

(2) In this action all persons owning, having, or claiming an interest in or lien upon the real estate or any part of the real estate may be joined as defendants, and the complaint shall contain a description of the property, together with the amount claimed to be due on the property, including interest, penalties, and administrative costs.

(3) If the name of the owner of any real estate cannot be ascertained from the records of the county, the complaint shall state that the owner is unknown to the plaintiff.

(4) It is sufficient to allege in the complaint that a general tax has been duly levied upon or a tax notice charge has been listed for the described real estate, without stating any of the proceedings or steps leading up to the levy of the tax or the listing of the tax notice charge.

Section 43. Section **59-2-1355** is amended to read:

59-2-1355. Trial -- Findings -- Decree.

(1) The action described in Section 59-2-1353 shall be tried and determined as actions to foreclose mortgage liens, and the court shall determine and adjudge the amount of taxes, tax notice charges, interest, penalties, and costs on each parcel of property which has been separately assessed, and shall enter its decree determining the rights, and priorities of liens, of all parties to the action.

(2) The court shall also in its decree direct the sheriff to advertise and sell, as in the case of sales on execution, each parcel of property, or so much as may be necessary for the payment of the total amount of the general taxes and tax notice charges due, with interest, penalties, and costs, unless the amount is paid within a time named in the decree, but not to

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exceed 30 days from the entry of the decree.

(3) The decree shall provide that any of the parties to the action may become purchasers at any sale, that if less than an entire parcel of property is sold, it shall be sold at foreclosure sale in such a manner as not to convey to the purchaser a strip of property around the entire perimeter of the parcel, or a strip of the parcel which, if conveyed, would prevent access to the remainder of the parcel by the redemptive owner or otherwise unreasonably diminish the value of that remainder, as determined by the county executive.

(4) The decree shall also provide that if all delinquent taxes and tax notice charges, together with interest, respectively levied on or listed for the parcel of property, and all penalties and costs, are paid within the time fixed in the decree for payment, then no sale may be made.

(5) After the time for redemption has expired, if no redemption has been made, the sheriff shall execute and deliver to the purchaser a deed conveying to the purchaser all the right, title, and interest of each and all the parties, but subject to the lien of any general or special taxes or tax notice charges which may have been respectively levied on or listed for the property conveyed, other than those for the payment of which the sale has been made.

Section 44. Section **59-2-1358** is amended to read:

59-2-1358. Foreclosure deemed a cumulative remedy.

The foreclosure may not deprive any county of any other method or means provided for the collection or enforcement of any taxes or tax notice charges, but is construed as providing an additional or cumulative remedy for the collection of general taxes levied and assessed and tax notice charges listed against the real estate in the county.

Section 45. Section **59-2-1359** is amended to read:

59-2-1359. Collection of taxes and tax notice charges -- Removal or destruction of property.

The tax commission may, under the conditions existing in this section, declare the taxes and tax notice charges to be immediately due and payable if it finds:

(1) that the owner or lessee of any real property, including improvements, subject to taxation within the state is removing, destroying, or is about to remove or destroy the property to such an extent as to render doubtful the payment of delinquent taxes, tax notice charges, penalty, and interest, if any, and the payment of current taxes and tax notice charges; or

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(2) that the continued operation and extraction of ores and minerals from mine or mining claims, or the method employed by the owner or lessee, contractor, or other person working upon or operating any mine or mining claim will render doubtful the payment of delinquent taxes, tax notice charges, penalty, and interest, if any, for past years or the current year.

Section 46. Section **59-2-1360** is amended to read:

59-2-1360. Proceedings before commission.

Proceedings to make findings under Section 59-2-1359 may be commenced before the commission upon its own initiative, the request of any taxing entity, the request of any tax notice charge entities, or the request of any taxpayer.

Section 47. Section **59-2-1361** is amended to read:

59-2-1361. Notice of findings -- Proceedings in district court -- Injunction -- Determining taxes and tax notice charges due -- Security during proceedings.

(1) (a) Notice that the commission has made a finding and declaration under Section 59-2-1359 shall be given to the owner of the property in the same manner as is provided by law for the giving of the notice of assessment by the commission.

(b) The notice required by this section shall include a notice of the location and time of the hearing in which the findings of the commission may be protested.

(c) (i) The hearing must be scheduled at least 10 days after the mailing of the notice.

(ii) The owner, lessee, contractor, or operator of the property shall be afforded the opportunity to protest the commission's findings at the hearing.

(2) After the scheduled hearing, the taxes shall become immediately due and payable if any of the following occur:

(a) the owner, contractor, lessee, or operator of the property fails to appear at the hearing; or

(b) the commission sustains the findings.

(3) If the taxes and tax notice charges are not paid within 10 days from the date due, the commission may commence a proceeding in court in its name, but for the benefit of the state [~~and~~], the taxing entities interested in the taxes, and the tax notice charge entities for the property, in the district court of the county in which the property is located to determine the [~~lien~~] liens of the taxes and tax notice charges and to foreclose the [~~lien~~] liens.

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(4) In any proceeding the court may order any of the following:

(a) enjoin and restrain the destruction or removal of the property or any part of the property;

(b) appoint a receiver to operate the property; and

(c) order and direct that the proceeds from the property, or so much of it as may be necessary to pay the amount of the taxes and tax notice charges, be withheld and impounded or paid on account of the taxes and tax notice charges from time to time as the court may direct.

(5) In determining the amount of taxes due for any year for which the levy has not been fixed and for the purposes of the proceeding in court, the commission shall use the levy prevailing within the taxing entity where the property is located for the last preceding year.

(6) In any court proceeding brought to enforce the payment of taxes and tax notice charges made due and payable under this section, the findings of the commission shall be for all purposes presumptive evidence of the necessity for the action for the protection of the public revenues and of the amount of taxes and tax notice charges to be paid.

(7) (a) Payment of taxes and tax notice charges due under this section will not be enforced through the proceedings authorized by this section prior to the expiration of the time otherwise allowed for payment of taxes if the owner, lessee, contractor, or other person operating the property furnishes security approved by the commission that the person will timely submit all required returns and ~~[tax payments]~~ payment of taxes and tax notice charges ~~payments~~.

(b) The commission may, from time to time, require additional security for the payment of taxes and tax notice charges.

(8) The commission may promulgate rules to implement this section.

Section 48. Section **59-2-1362** is amended to read:

59-2-1362. Certified copy of tax sale record prima facie evidence of regularity.

(1) A copy of the record of any tax sale duly certified by the official custodian of the record at the time of the certificate under the seal of office as a true copy of the entry in the official record showing the sale is prima facie evidence of the facts shown in the record.

(2) The regularity of all proceedings connected with the assessment, valuation, notice, equalization, levies, tax notices, advertisement, and sale of property described in the record is presumed, and the burden of showing any irregularity in any of the proceedings resulting in the

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sale of property for the nonpayment of delinquent taxes and tax notice charges shall be on the person who asserts it.

Section 49. Section **59-2-1363** is amended to read:

59-2-1363. Misnomer or mistake as to ownership does not affect sale.

If property is sold for correctly imposed taxes and tax notice charges as the property of a particular person, no misnomer of the owner or supposed owner, or other mistake relating to ownership, affects the sale or renders it void or voidable.

Section 50. Section **59-2-1365** is amended to read:

59-2-1365. Payment to taxing entities by county treasurer -- Investment of proceeds -- Transfer and receipt of money between taxing entities.

(1) Except as provided in Subsections (3) and (4), the county treasurer shall pay to the treasurer of each taxing entity and each tax notice charge entity in the county on or before the tenth day of each month:

(a) all money that the county treasurer received during the preceding month that is due to the [taxing] entity; and

(b) each [taxing] entity's proportionate share of money the county treasurer received during the preceding month for:

- (i) delinquent taxes and tax notice charges;
- (ii) interest;
- (iii) penalties; and
- (iv) costs on all tax sales and redemptions.

(2) Except as provided in Subsections (3) and (4), the county treasurer shall:

(a) adopt an appropriate procedure to account for the transfer and receipt of money between taxing entities and tax notice charge entities;

(b) make a final annual settlement on March 31 with each taxing entity and tax notice charge entity, including providing the [taxing] entity a written statement for the most recent calendar year of the amount of:

- (i) total taxes and tax notice charges charged;
- (ii) current taxes and tax notice charges collected;
- (iii) treasurer's relief;
- (iv) redemptions;

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- (v) penalties;
- (vi) interest;
- (vii) in lieu fee collections on motor vehicles; and
- (viii) miscellaneous collections;
- (c) invest the money it receives under Subsection (1); and
- (d) pay annually to each taxing entity and tax notice charge entity in the county the interest earned on the invested money under Subsection (2)(c):

- (i) on or before March 31; and
- (ii) apportioned according to the proportion that the:

(A) taxing entity's tax receipts bear to the total tax receipts received by the county treasurer[-]; and

(B) tax notice charge entity's tax notice charge receipts bear to the total tax notice charge receipts that the county treasurer receives.

- (3) Notwithstanding Subsections (1) and (2), a county may:

(a) negotiate with a taxing entity or tax notice charge entity a procedure other than the procedure provided in Subsection (2)(a) to account for the transfer and receipt of money between the county and the taxing entity or tax notice charge entity; and

(b) establish a date other than the tenth day of each month for the county treasurer to make payments required under Subsection (1).

(4) This section does not invalidate an existing contract between a county and a taxing entity or tax notice charge entity relating to the apportionment and payment of money or interest.

Section 51. Section **59-2-1366** is amended to read:

59-2-1366. Apportionment of redemption or assignment money.

(1) If property sold to the county under this title is redeemed, or the certificate of sale is assigned, the money received on account of the redemption or assignment shall be distributed as follows:

(a) the original and subsequent taxes, and 40% of interest, penalty, and costs of sale received shall be apportioned to the taxing entities interested, in proportion to their respective taxes[-, and];

(b) the original and subsequent tax notice charges, and 40% of interest, penalty, and

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costs of sale received shall be apportioned to the tax notice charge entities interested, in proportion to their respective tax notice charges; and

(c) the balance shall be paid to the county.

(2) If a sum less than the taxes, tax notice charges, interest, penalty, and costs is accepted in settlement, the proceeds of the settlement shall be applied, first to the payment of the original and subsequent taxes and tax notice charges, and the remainder, if any, to the payment of interest, penalty, and costs.

Section 52. Section **59-2-1372** is amended to read:

59-2-1372. Auditor duties -- Final settlement with treasurer -- Delinquent Tax Control Account.

(1) The auditor shall audit the books and records of the treasurer and make a final settlement with the treasurer.

(2) In making the settlement the auditor shall credit the treasurer with the amount of taxes and tax notice charges for the previous year which are found to be still unpaid and shall then charge the treasurer upon the books of the county in an account which shall be called the Delinquent Tax Control Account with the full amount of delinquent taxes, tax notice charges, penalty, and costs found due the county for the previous year.