

GREENBELT AMENDMENTS

2018 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Logan Wilde

Senate Sponsor: Ann Millner

LONG TITLE

General Description:

This bill amends property tax provisions related to property assessed under the Farmland Assessment Act.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ amends provisions related to proving implementation of a bona fide range improvement program; and
- ▶ makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

59-2-502, as last amended by Laws of Utah 2017, Chapter 319

59-2-503, as last amended by Laws of Utah 2013, Chapter 322

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

Section 1. Section **59-2-502** is amended to read:



28 **59-2-502. Definitions.**

29 As used in this part:

30 (1) "Actively devoted to agricultural use" means that the land in agricultural use
31 produces in excess of 50% of the average agricultural production per acre:

32 (a) as determined under Section 59-2-503; and

33 (b) for:

34 (i) the given type of land; and

35 (ii) the given county or area.

36 (2) (a) "Bona fide range improvement program" means a rangeland improvement
37 project that is generally recognized by the grazing and livestock industry to:

38 (i) increase the quality of forage for livestock;

39 (ii) result in increased livestock production; and

40 (iii) improve the overall health of the land.

41 (b) "Bona fide range improvement program" includes at least one of the following:

42 (i) reseeding;

43 (ii) spraying;

44 (iii) burning;

45 (iv) controlling for weeds or herbs; or

46 (v) using one of the following mechanical methods:

47 (A) chaining;

48 (B) furrowing;

49 (C) terracing;

50 (D) trenching;

51 (E) railing;

52 (F) ripping; or

53 (G) pitting.

54 (3) "Bona fide range improvement program plan" means a plan that:

55 (a) is in writing;

56 (b) describes the bona fide range improvement program that the owner of the land is
57 implementing; and

58 (c) includes:

59 (i) a list of any activity described in Subsection (2)(b) that the owner of the land is
60 implementing;

61 (ii) a list of any other rangeland improvements that the owner of the land is
62 implementing; and

63 (iii) the timing for implementation and termination of the bona fide range improvement
64 program.

65 [~~2~~] (4) "Conservation easement rollback tax" means the tax imposed under Section
66 59-2-506.5.

67 [~~3~~] (5) "Identical legal ownership" means legal ownership held by:

68 (a) identical legal parties; or

69 (b) identical legal entities.

70 [~~4~~] (6) "Land in agricultural use" means:

71 (a) land devoted to the raising of useful plants and animals with a reasonable
72 expectation of profit, including:

73 (i) forages and sod crops;

74 (ii) grains and feed crops;

75 (iii) livestock as defined in Section 59-2-102;

76 (iv) trees and fruits; or

77 (v) vegetables, nursery, floral, and ornamental stock; or

78 (b) land devoted to and meeting the requirements and qualifications for payments or

79 other compensation under a crop-land retirement program with an agency of the state or federal
80 government.

81 [~~5~~] (7) "Other eligible acreage" means land that is:

82 (a) five or more contiguous acres;

83 (b) eligible for assessment under this part; and

84 (c) (i) located in the same county as land described in Subsection 59-2-503(1)(a); or

85 (ii) contiguous across county lines with land described in Subsection 59-2-503(1)(a) as
86 provided in Section 59-2-512.

87 [~~6~~] (8) "Platted" means land in which:

88 (a) parcels of ground are laid out and mapped by their boundaries, course, and extent;

89 and

90 (b) the plat has been approved as provided in Section 10-9a-604 or 17-27a-604.

91 ~~[(7)]~~ (9) "Rollback tax" means the tax imposed under Section 59-2-506.

92 ~~[(8)]~~ (10) "Withdrawn from this part" means that land that has been assessed under this

93 part is no longer assessed under this part or eligible for assessment under this part for any

94 reason including that:

95 (a) an owner voluntarily requests that the land be withdrawn from this part;

96 (b) the land is no longer actively devoted to agricultural use;

97 (c) (i) the land has a change in ownership; and

98 (ii) (A) the new owner fails to apply for assessment under this part as required by

99 Section 59-2-509; or

100 (B) (I) an owner applies for assessment under this part as required by Section

101 59-2-509; and

102 (II) the land does not meet the requirements of this part to be assessed under this part;

103 (d) (i) the legal description of the land changes; and

104 (ii) (A) an owner fails to apply for assessment under this part as required by Section

105 59-2-509; or

106 (B) (I) an owner applies for assessment under this part as required by Section

107 59-2-509; and

108 (II) the land does not meet the requirements of this part to be assessed under this part;

109 (e) if required by the county assessor, the owner of the land:

110 (i) fails to file a new application as provided in Subsection 59-2-508(5); or

111 (ii) fails to file a signed statement as provided in Subsection 59-2-508(5); or

112 (f) except as provided in Section 59-2-503, the land fails to meet a requirement of

113 Section 59-2-503.

114 Section 2. Section 59-2-503 is amended to read:

115 **59-2-503. Qualifications for agricultural use assessment.**

116 (1) For general property tax purposes, ~~[land may be assessed]~~ the commission or the

117 county assessor may assess land on the basis of the value that the land has for agricultural use

118 ~~[if the land]~~:

119 (a) (i) if the land is not less than five contiguous acres in area~~[, except that land may be~~

120 ~~assessed on the basis of the value that the land has for agricultural use:]~~;

- 121 ~~[(i) if:]~~
- 122 (ii) (A) if the land is devoted to agricultural use in conjunction with other eligible
- 123 acreage; and
- 124 (B) if the land and the other eligible acreage described in Subsection (1)(a)~~[(f)]~~(ii)(A)
- 125 have identical legal ownership; or
- 126 ~~[(f)]~~ (iii) as provided under Subsection (4); and
- 127 (b) except as provided in Subsection (5) or (6):
- 128 (i) if the land is actively devoted to agricultural use; and
- 129 (ii) if the land has been actively devoted to agricultural use for at least two successive
- 130 years immediately preceding the tax year for which the land is being assessed under this part.
- 131 (2) In determining whether land is actively devoted to agricultural use, production per
- 132 acre for a given county or area and a given type of land shall be determined by using the first
- 133 applicable of the following:
- 134 (a) production levels reported in the current publication of the Utah Agricultural
- 135 Statistics;
- 136 (b) current crop budgets developed and published by Utah State University; and
- 137 (c) other acceptable standards of agricultural production designated by the commission
- 138 by rule adopted in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking
- 139 Act.
- 140 (3) ~~[Land may be assessed]~~ The commission or the county assessor may assess land on
- 141 the basis of the land's agricultural value if the land:
- 142 (a) is subject to the privilege tax imposed by Section 59-4-101;
- 143 (b) is owned by the state or any of the state's political subdivisions; and
- 144 (c) meets the requirements of Subsection (1).
- 145 (4) ~~[Notwithstanding Subsection (1)(a), the]~~ The commission or a county board of
- 146 equalization may grant a waiver of the acreage limitation for land upon:
- 147 (a) appeal by the owner; and
- 148 (b) submission of proof that:
- 149 (i) 80% or more of the owner's, purchaser's, or lessee's income is derived from
- 150 agricultural products produced on the property in question; or
- 151 (ii) (A) the failure to meet the acreage requirement arose solely as a result of an

152 acquisition by a governmental entity by~~[(F)]~~ eminent domain~~;~~ or ~~[(H)]~~ the threat or
153 imminence of an eminent domain proceeding;

154 (B) the land is actively devoted to agricultural use; and

155 (C) no change occurs in the ownership of the land.

156 (5) (a) The commission or a county board of equalization may grant a waiver of the
157 requirement that the land is actively devoted to agricultural use for the tax year for which the
158 land is being assessed under this part upon:

159 (i) appeal by the owner; and

160 (ii) submission of proof that:

161 (A) the land was assessed on the basis of agricultural use for at least two years
162 immediately preceding that tax year; and

163 (B) the failure to meet the agricultural production requirements for that tax year was
164 due to no fault or act of the owner, purchaser, or lessee.

165 (b) As used in Subsection (5)(a), "fault" does not include:

166 (i) intentional planting of crops or trees ~~[which]~~ that, because of the maturation period,
167 do not give the owner, purchaser, or lessee a reasonable opportunity to satisfy the production
168 levels required for land actively devoted to agricultural use; or

169 (ii) implementation of a bona fide range improvement program, crop rotation program,
170 or other similar accepted cultural practices ~~[which]~~ that do not give the owner, purchaser, or
171 lessee a reasonable opportunity to satisfy the production levels required for land actively
172 devoted to agricultural use.

173 (c) An owner of land that fails to meet the agricultural production requirements for the
174 tax year due to implementation of a bona fide range improvement program shall submit to the
175 commission or the county assessor a copy of the bona fide range improvement program plan
176 within 45 days after the day on which the commission or county assessor requests the bona fide
177 range improvement program plan.

178 (6) Land that otherwise qualifies for assessment under this part qualifies for assessment
179 under this part in the first year the land resumes being actively devoted to agricultural use if:

180 (a) the land becomes ineligible for assessment under this part only as a result of a split
181 estate mineral rights owner exercising the right to extract a mineral; and

182 (b) the land qualified for assessment under this part in the year immediately preceding

183 the year the land became ineligible for assessment under this part only as a result of a split
184 estate mineral rights owner exercising the right to extract a mineral.

185 (7) Land that otherwise qualifies under Subsection (1) to be assessed on the basis of the
186 value that the land has for agricultural use does not lose that qualification by becoming subject
187 to a forest stewardship plan developed under Section [65A-8a-106](#) under which the land is
188 subject to a temporary period of limited use or nonuse.

Legislative Review Note
Office of Legislative Research and General Counsel