

TAX AMENDMENTS

2018 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Lincoln Fillmore

House Sponsor: Adam Robertson

LONG TITLE

General Description:

This bill amends provisions related to property valuation adjustments made by the county board of equalization.

Highlighted Provisions:

This bill:

- ▶ defines "significant adjustment";
- ▶ requires the county board of equalization to list separately a significant adjustment on an agenda for a public hearing and provide certain property information; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

59-2-1004, as last amended by Laws of Utah 2016, Chapter 98

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

Section 1. Section **59-2-1004** is amended to read:

59-2-1004. Appeal to county board of equalization -- Real property -- Time



28 **period for appeal -- Decision of board -- Extensions approved by commission -- Appeal to**
29 **commission.**

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

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

34 (ii) making an application by telephone or other electronic means within the time
35 period described in Subsection (2) if the county legislative body passes a resolution under
36 Subsection (7) authorizing [~~applications to be made~~] a taxpayer to make an application by
37 telephone or other electronic means.

38 (b) The county board of equalization shall make a rule describing the contents of the
39 application [~~shall be prescribed by rule of the county board of equalization~~].

40 (2) (a) Except as provided in Subsection (2)(b)[;] and for purposes of Subsection (1), a
41 taxpayer shall make an application to appeal the valuation or the equalization of the taxpayer's
42 real property on or before the later of:

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

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

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

50 (3) The owner shall include in the application under Subsection (1)(a)(i) the owner's
51 estimate of the fair market value of the property and any evidence [~~which~~] that may indicate
52 that the assessed valuation of the owner's property is improperly equalized with the assessed
53 valuation of comparable properties.

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

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

58 (b) if submitted, the sales price of relevant property that was under contract for sale as

59 of the lien date but sold after the lien date;

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

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

65 (5) (a) The county board of equalization shall meet and hold public hearings as
66 ~~[prescribed]~~ described in Section 59-2-1001.

67 (b) (i) For purposes of this Subsection (5)(b), "significant adjustment" means a
68 proposed adjustment to the valuation of real property that:

69 (A) is to be made by a county board of equalization; and

70 (B) would result in a valuation that differs from the original assessed value by at least
71 20% and \$1,000,000.

72 (ii) When a county board of equalization is going to consider a significant adjustment,
73 the county board of equalization shall:

74 (A) list the significant adjustment as a separate item on the agenda of the public
75 hearing at which the county board of equalization is going to consider the significant
76 adjustment; and

77 (B) for purposes of the agenda described in Subsection (5)(b)(ii)(A), provide a
78 description of the property for which the county board of equalization is considering a
79 significant adjustment.

80 ~~[(b)]~~ (c) The county board of equalization shall make a decision on each appeal filed in
81 accordance with this section within ~~[a 60-day period]~~ 60 days after the day on which the
82 taxpayer makes an application ~~[is made]~~.

83 ~~[(c)]~~ (d) The commission may approve the extension of a time period provided for in
84 Subsection (5)(b) for a county board of equalization to make a decision on an appeal.

85 ~~[(d)]~~ (e) Unless the commission approves the extension of a time period under
86 Subsection (5)~~[(c)]~~(d), if a county board of equalization fails to make a decision on an appeal
87 within the time period described in Subsection (5)~~[(b)]~~(c), the county legislative body shall:

88 (i) list the appeal, by property owner and parcel number, on the agenda for the next
89 meeting ~~[of]~~ the county legislative body ~~[that is held]~~ holds after the expiration of the time

90 period described in Subsection (5)~~(b)~~(c); and

91 (ii) hear the appeal at the meeting described in Subsection (5)~~(d)~~(e)(i).

92 ~~(e)~~ (f) The decision of the county board of equalization shall contain:

93 (i) a determination of the valuation of the property based on fair market value~~[-]~~; and

94 (ii) a conclusion that the fair market value is properly equalized with the assessed value
95 of comparable properties.

96 ~~(f)~~ (g) If no evidence is presented before the county board of equalization, ~~[it will be~~
97 ~~presumed]~~ the county board of equalization shall presume that the equalization issue has been
98 met.

99 ~~(g)~~ (h) (i) If the fair market value of the property that is the subject of the appeal
100 deviates plus or minus 5% from the assessed value of comparable properties, the county board
101 of equalization shall adjust the valuation of the appealed property ~~[shall be adjusted]~~ to reflect
102 a value equalized with the assessed value of comparable properties.

103 (ii) Subject to Sections 59-2-301.1, 59-2-301.2, 59-2-301.3, and 59-2-301.4, equalized
104 value established under Subsection (5)~~(g)~~(h)(i) shall be the assessed value for property tax
105 purposes until the county assessor is able to evaluate and equalize the assessed value of all
106 comparable properties to bring ~~them~~ all comparable properties into conformity with full fair
107 market value.

108 (6) If any taxpayer is dissatisfied with the decision of the county board of equalization,
109 the taxpayer may file an appeal with the commission as ~~[prescribed]~~ described in Section
110 59-2-1006.

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

Legislative Review Note
Office of Legislative Research and General Counsel