

PROPERTY TAX ABATEMENT FOR INDIGENTS

2018 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Deidre M. Henderson

House Sponsor: Jefferson Moss

LONG TITLE

General Description:

This bill provides a process to appeal a county's decision on a property owner's application for a property tax abatement or deferral for a poor person.

Highlighted Provisions:

This bill:

- ▶ provides an appeal process for a property owner dissatisfied with a county's decision on the property owner's application for an abatement or deferral of property tax for a poor person; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

59-2-1109, as last amended by Laws of Utah 2013, Chapters 19 and 278

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

Section 1. Section **59-2-1109** is amended to read:

59-2-1109. Indigent persons -- Deferral or abatement -- Application -- County



28 **authority to make refunds -- Appeal.**

29 (1) A person under the age of 65 years is not eligible for a deferral or abatement
30 provided for poor people under Sections 59-2-1107 and 59-2-1108 unless:

31 (a) the county finds that extreme hardship would prevail if [~~the grants~~] a deferral or
32 abatement were not made; or

33 (b) the person has a disability.

34 (2) (a) An application for the deferral or abatement shall be filed on or before
35 September 1 with the county in which the property is located.

36 (b) The application shall include a signed statement setting forth the eligibility of the
37 applicant for the deferral or abatement.

38 (c) Both [~~husband and wife~~] spouses shall sign the application if the [~~husband and~~
39 ~~wife~~] spouses seek a deferral or abatement on a residence:

40 (i) in which [~~they~~] both spouses reside; and

41 (ii) [~~which they~~] that the spouses own as joint tenants.

42 (d) A county may extend the deadline for filing under Subsection [~~(2)~~] (3)(a) until
43 December 31 if the county finds that good cause exists to extend the deadline.

44 (3) (a) For purposes of this Subsection (3):

45 (i) "Property taxes due" means the taxes due on a person's property:

46 (A) for which the county grants an abatement [~~is granted by a county~~] under Section
47 59-2-1107; and

48 (B) for the calendar year for which the county grants the abatement [~~is granted~~].

49 (ii) "Property taxes paid" is an amount equal to the sum of:

50 (A) the amount of the property taxes the person paid for the taxable year for which the
51 person is applying for the abatement; and

52 (B) the amount of the abatement the county grants under Section 59-2-1107.

53 (b) A county granting an abatement to a person under Section 59-2-1107 shall refund
54 to that person an amount equal to the amount by which the person's property taxes paid exceed
55 the person's property taxes due, if that amount is \$1 or more.

56 (4) For purposes of this section:

57 (a) a poor person is any person:

58 (i) whose total household income as defined in Section 59-2-1202 is less than the

59 maximum household income certified to a homeowner's credit under Subsection 59-2-1208(1);

60 (ii) who resides for not less than 10 months of each year in the residence for which the
61 tax relief, deferral, or abatement is requested; and

62 (iii) who is unable to meet the tax assessed on the person's real property that is
63 residential property as the tax becomes due; and

64 (b) "residence" includes a mobile home as defined under Section 70D-2-102.

65 (5) If the claimant is the grantor of a trust holding title to real or tangible personal
66 property on which an abatement or deferral is claimed, the claimant may claim the portion of
67 the abatement or deferral under Section 59-2-1107 or 59-2-1108 and be treated as the owner of
68 that portion of the property held in trust for which the claimant proves to the satisfaction of the
69 county that:

70 (a) title to the portion of the trust will revert in the claimant upon the exercise of a
71 power:

72 (i) by:

73 (A) the claimant as grantor of the trust;

74 (B) a nonadverse party; or

75 (C) both the claimant and a nonadverse party; and

76 (ii) regardless of whether the power is a power:

77 (A) to revoke;

78 (B) to terminate;

79 (C) to alter;

80 (D) to amend; or

81 (E) to appoint;

82 (b) the claimant is obligated to pay the taxes on that portion of the trust property
83 beginning January 1 of the year the claimant claims the abatement or deferral; and

84 (c) the claimant meets the requirements under this part for the abatement or deferral.

85 (6) The commission shall adopt rules to implement this section.

86 (7) Any poor person may qualify for:

87 (a) the deferral of taxes under Section 59-2-1108;

88 (b) if the person meets the ~~[requisites]~~ requirements of this section, ~~[for]~~ the abatement
89 of taxes under Section 59-2-1107; or

- 90 (c) both:
- 91 (i) the deferral described in Subsection (7)(a); and
- 92 (ii) the abatement described in Subsection (7)(b).
- 93 (8) Any property owner dissatisfied with a county's decision regarding a property
- 94 owner's application for a deferral or abatement under Section [59-2-1107](#) or [59-2-1108](#) may
- 95 appeal to the commission under Section [59-2-1006](#).

Legislative Review Note
Office of Legislative Research and General Counsel