

GREENBELT AMENDMENTS

2019 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Logan Wilde

Senate Sponsor: _____

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 ~~H~~→ [proving] ←~~H~~ 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:

H.B. 67



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) "Bona fide range improvement program" means a rangeland improvement project37 that is generally recognized by the grazing and livestock industry.38 (3) "Bona fide range improvement program plan" means a plan that:39 (a) is in writing;40 (b) describes the bona fide range improvement program that the owner of the land is41 implementing; and42 (c) includes:43 (i) a list of the rangeland improvements that the owner of the land is implementing;44 (ii) the timing for implementation and termination of the bona fide range improvement45 program, ~~together with~~ which may not exceed:45a (A) two years; or45b (B) if the bona fide range improvement program is, at least in part, for the combined45c benefit of habitat improvement for a listed or proposed endangered species, five years;45d (iii) ~~together with~~ a description of the proposed activity on the land when the land is46 returned to agricultural use; and47 ~~together with~~ (iii) (iv) ~~together with~~ the address, parcel number, or other information that identifies the land.48 ~~(2)~~ (4) "Conservation easement rollback tax" means the tax imposed under Section49 [59-2-506.5](#).50 ~~(3)~~ (5) "Identical legal ownership" means legal ownership held by:

51 (a) identical legal parties; or

52 (b) identical legal entities.

53 ~~(4)~~ (6) "Land in agricultural use" means:

54 (a) land devoted to the raising of useful plants and animals with a reasonable

55 expectation of profit, including:

56 (i) forages and sod crops;

57 (ii) grains and feed crops;

58 (iii) livestock as defined in Section [59-2-102](#);

- 59 (iv) trees and fruits; or
- 60 (v) vegetables, nursery, floral, and ornamental stock; or
- 61 (b) land devoted to and meeting the requirements and qualifications for payments or
- 62 other compensation under a crop-land retirement program with an agency of the state or federal
- 63 government.

64 [~~5~~] (7) "Other eligible acreage" means land that is:

- 65 (a) five or more contiguous acres;
- 66 (b) eligible for assessment under this part; and
- 67 (c) (i) located in the same county as land described in Subsection 59-2-503(1)(a); or
- 68 (ii) contiguous across county lines with land described in Subsection 59-2-503(1)(a) as
- 69 provided in Section 59-2-512.

70 [~~6~~] (8) "Platted" means land in which:

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

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

74 [~~7~~] (9) "Rollback tax" means the tax imposed under Section 59-2-506.

75 [~~8~~] (10) "Withdrawn from this part" means that land that has been assessed under this
76 part is no longer assessed under this part or eligible for assessment under this part for any
77 reason including that:

- 78 (a) an owner voluntarily requests that the land be withdrawn from this part;
- 79 (b) the land is no longer actively devoted to agricultural use;
- 80 (c) (i) the land has a change in ownership; and
- 81 (ii) (A) the new owner fails to apply for assessment under this part as required by
- 82 Section 59-2-509; or

- 83 (B) (I) an owner applies for assessment under this part as required by Section
- 84 59-2-509; and

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

- 86 (d) (i) the legal description of the land changes; and
- 87 (ii) (A) an owner fails to apply for assessment under this part as required by Section
- 88 59-2-509; or

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

90 59-2-509; and

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

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

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

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

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

96 Section 59-2-503.

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

98 **59-2-503. Qualifications for agricultural use assessment.**

99 (1) For general property tax purposes, [~~land may be assessed~~] the county assessor may
100 assess land on the basis of the value that the land has for agricultural use [~~if the land~~]:

101 (a) (i) if the land is not less than five contiguous acres in area[~~, except that land may be~~
102 ~~assessed on the basis of the value that the land has for agricultural use.~~];

103 [~~(i) if:~~

104 (ii) (A) if the land is devoted to agricultural use in conjunction with other eligible
105 acreage; and

106 (B) if the land and the other eligible acreage described in Subsection (1)(a)[~~(i)~~](ii)(A)
107 have identical legal ownership; or

108 [~~(ii)~~] (iii) as provided under Subsection (4); and

109 (b) except as provided in Subsection (5) or (6):

110 (i) if the land is actively devoted to agricultural use; and

111 (ii) if the land has been actively devoted to agricultural use for at least two successive
112 years immediately preceding the tax year for which the land is being assessed under this part.

113 (2) In determining whether land is actively devoted to agricultural use, production per
114 acre for a given county or area and a given type of land shall be determined by using the first
115 applicable of the following:

116 (a) production levels reported in the current publication of the Utah Agricultural
117 Statistics;

118 (b) current crop budgets developed and published by Utah State University; and

119 (c) other acceptable standards of agricultural production designated by the commission
120 by rule adopted in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking

121 Act.

122 (3) [~~Land may be assessed~~] The county assessor may assess land on the basis of the
 123 land's agricultural value if the land:

124 (a) is subject to the privilege tax imposed by Section 59-4-101;

125 (b) is owned by the state or any of the state's political subdivisions; and

126 (c) meets the requirements of Subsection (1).

127 (4) [~~Notwithstanding Subsection (1)(a), the commission~~] A county assessor or a county
 128 board of equalization may grant a waiver of the acreage limitation for land upon:

129 (a) appeal by the owner; and

130 (b) submission of proof that:

131 (i) 80% or more of the owner's, purchaser's, or lessee's income is derived from
 132 agricultural products produced on the property in question; or

133 (ii) (A) the failure to meet the acreage requirement arose solely as a result of an
 134 acquisition by a governmental entity by[:(~~F~~)] eminent domain[;] or [~~(H)~~] the threat or
 135 imminence of an eminent domain proceeding;

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

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

138 (5) (a) [~~The commission~~] A county assessor or a county board of equalization may grant
 139 a waiver of the requirement that the land is actively devoted to agricultural use for the tax year
 140 for which the land is being assessed under this part upon:

141 (i) appeal by the owner; and

142 (ii) submission of proof that:

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

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

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

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

151 (ii) implementation of a bona fide range improvement program, crop rotation program,

152 or other similar accepted cultural practices [~~which~~] that do not give the owner, purchaser, or
153 lessee a reasonable opportunity to satisfy the production levels required for land actively
154 devoted to agricultural use.

155 (c) (i) An owner of land that fails to meet the agricultural production requirements for
156 the tax year due to implementation of a bona fide range improvement program shall submit to a
157 county assessor or a county board of equalization a copy of the bona fide range improvement
158 program plan within 45 days after the day on which a county assessor or a county board of
159 equalization requests the bona fide range improvement program plan.

160 (ii) A county assessor or a county board of equalization shall accept any bona fide
161 range improvement program plan that meets the requirements of Subsection [59-2-502\(3\)](#).

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

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

166 (b) the land qualified for assessment under this part in the year immediately preceding
167 the year the land became ineligible for assessment under this part only as a result of a split
168 estate mineral rights owner exercising the right to extract a mineral.

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