

HB0011S01 compared with HB0011

~~{deleted text}~~ shows text that was in HB0011 but was deleted in HB0011S01.

Inserted text shows text that was not in HB0011 but was inserted into HB0011S01.

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Representative Timothy D. Hawkes proposes the following substitute bill:

PROPERTY TAX AMENDMENTS

2019 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Timothy D. Hawkes

Senate Sponsor: ~~{_____}~~ Daniel Hemmert

LONG TITLE

~~{Committee Note:~~

~~—The Revenue and Taxation Interim Committee recommended this bill.~~

~~}General Description:~~

This bill modifies the property tax valuation and appeals processes for county assessed real property.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ codifies how a party meets the party's burden of proof when appealing a valuation to the county board of equalization or the commission;
- ▶ modifies the burdens of proof for appeals involving certain real property for which there was a reduction in value as a result of an appeal during the previous taxable

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year;

- ▶ creates an automatic county review process for certain real property valuations or equalizations that exceed a threshold;{

~~codifies the standard of review the State Tax Commission applies in an appeal from a county board of equalization decision;}~~ and

- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

This bill provides retrospective operation.

Utah Code Sections Affected:

AMENDS:

59-2-109, as enacted by Laws of Utah 2016, Chapter 392

59-2-303, as last amended by Laws of Utah 1993, Chapter 245

59-2-311, as last amended by Laws of Utah 2005, Chapter 182

59-2-919.1, as last amended by Laws of Utah 2016, Chapter 98

59-2-1004, as last amended by Laws of Utah 2018, Chapter 277

59-2-1004.5, as last amended by Laws of Utah 2008, Chapter 382

~~{ **59-2-1006**, as last amended by Laws of Utah 2013, Chapter 180~~

~~} ENACTS:~~

59-2-303.2, Utah Code Annotated 1953

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

Section 1. Section **59-2-109** is amended to read:

59-2-109. Burden of proof.

(1) As used in this section[~~,"assessing authority" means~~]:

[~~(a) the commission for property assessed under Part 2, Assessment of Property; and~~

[~~(b) a county assessor for property assessed under Part 3, County Assessment.~~]

(a) "Final assessed value" means:

(i) for real property for which the taxpayer appealed the valuation or equalization to the

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county board of equalization in accordance with Section 59-2-1004, the value given to the real property by a county board of equalization after the appeal;

(ii) for real property for which the taxpayer or a county assessor appealed the valuation or equalization to the commission in accordance with Section 59-2-1006, the value given to the real property by:

(A) the commission, if the commission has issued a decision in the appeal; or

(B) a county board of equalization, if the commission has not yet issued a decision in the appeal; or

(iii) for real property for which the taxpayer or a county assessor sought judicial review of the valuation or equalization in accordance with Section 59-1-602 or Title 63G, Chapter 4, Part 4, Judicial Review, the value given the real property by the commission.

(b) "Inflation adjusted value" means the value of the real property that is the subject of the appeal as calculated by the county assessor in accordance with Subsection 59-2-1004(2)(c).

(c) "Qualified real property" means real property:

(i) that is assessed by a county assessor in accordance with Part 3, County Assessment;

(ii) for which:

(A) the taxpayer or a county assessor appealed the valuation or equalization for the previous taxable year to the county board of equalization in accordance with Section 59-2-1004 or the commission in accordance with Section 59-2-1006;

(B) as a result of the appeal described in Subsection (1)(c)(ii)(A), a county board of equalization or the commission gave a final assessed value that was lower than the assessed value; and

(C) the assessed value for the current taxable year is higher than the inflation adjusted value; and

(iii) that, between January 1 of the previous taxable year and January 1 of the current taxable year, has not been improved or changed beyond the improvements in place on January 1 of the previous taxable year.

(2) For an appeal involving the valuation of real property to the county board of equalization or the commission, the party carrying the burden of proof shall demonstrate:

(a) substantial error in:

(i) for an appeal not involving qualified real property:

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(A) if Subsection (3) does not apply and the appeal is to the county board of equalization, the original assessed value;

(B) if Subsection (3) does not apply and the appeal is to the commission, the value given to the property by the county board of equalization; or

(C) if Subsection (3) applies, the original assessed value; or

(ii) for an appeal involving qualified real property, the inflation adjusted value; and

(b) a sound evidentiary basis upon which the county board of equalization or the commission could adopt a different valuation.

~~[(2) Notwithstanding Section 59-1-604, in an action appealing the value of property assessed by an assessing authority, the assessing authority has the burden of proof before a board of equalization, the commission, or a court of competent jurisdiction, if the assessing authority presents evidence or otherwise asserts that the fair market value of the assessed property is greater than the value originally assessed by the assessing authority for that calendar year.]~~

(3) (a) Notwithstanding Section 59-1-604, the party described in Subsection (3)(b) shall carry the burden of proof before a county board of equalization, the commission, or a court of competent jurisdiction in an action appealing or seeking judicial review of the value of property:

(i) that is not qualified real property; and

(ii) for which a county assessor, a county board of equalization, or the commission presents evidence or otherwise asserts that the fair market value of the assessed property is greater than the original assessed value for that calendar year.

(b) For purposes of Subsection (3)(a), the following have the burden of proof:

(i) for property assessed under Part 3, County Assessment:

(A) the county assessor, if the county assessor is a party to the appeal that presents evidence or otherwise asserts that the fair market value of the assessed property is greater than the original assessed value for that calendar year; or

(B) the county board of equalization, if the county board of equalization is a party to the appeal that presents evidence or otherwise asserts that the fair market value of the assessed property is greater than the original assessed value for that calendar year; or

(ii) for property assessed under Part 2, Assessment of Property, the commission, if the

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commission is a party to the appeal that presents evidence or otherwise asserts that the fair market value of the assessed property is greater than the original assessed value for that calendar year.

(4) (a) The party described in Subsection (4)(b) shall carry the burden of proof before a county board of equalization or the commission in an action appealing the value of qualified real property if at least one party presents evidence of or otherwise asserts a value other than inflation adjusted value.

(b) For purposes of Subsection (4)(a):

(i) the county assessor or the county board of equalization that is a party to the appeal has the burden of proof if the county assessor or county board of equalization presents evidence of or otherwise asserts a value that is greater than or equal to the inflation adjusted value; or

(ii) the taxpayer that is a party to the appeal has the burden of proof if the taxpayer presents evidence of or otherwise asserts a value that is less than the inflation adjusted value.

(c) The burdens of proof described in Subsection (4)(b) apply before a county board of equalization or the commission even if the previous year's valuation is:

(i) pending an appeal requested in accordance with Section 59-2-1006 or judicial review requested in accordance with Section 59-1-602 or Title 63G, Chapter 4, Part 4, Judicial Review; or

(ii) overturned by the commission as a result of an appeal requested in accordance with Section 59-2-1006 or by a court of competent jurisdiction as a result of judicial review requested in accordance with Section 59-1-602 or Title 63G, Chapter 4, Part 4, Judicial Review.

Section 2. Section **59-2-303** is amended to read:

59-2-303. General duties of county assessor.

(1) [~~Prior to~~] (a) Before May 22 each year, the county assessor shall:

(i) ascertain the names of the owners of all property [which] that is subject to taxation by the county[~~, and shall~~];

(ii) except as provided in Subsection (2), assess the property to the owner, claimant of record, or occupant in possession or control at [12 o'clock midnight of January 1 in the tax year, unless a subsequent conveyance of ownership of the real property was recorded in the office of the county recorder more than 14 calendar days before the date of mailing of the tax

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~~notice. In that case, any tax notice may be mailed, and the tax assessed, to the new owner. No mistake in the name or address of the owner or supposed owner of property renders the assessment invalid.] midnight on January 1 of the taxable year; and~~

~~(iii) conduct the review process described in Section 59-2-303.2.~~

~~(b) No mistake in the name or address of the owner or supposed owner of property renders the assessment invalid.~~

~~(2) If a conveyance of ownership of the real property was recorded in the office of a county recorder after January 1 but more than 14 calendar days before the day on which the county treasurer mails the tax notice, the county assessor shall assess the property to the new owner.~~

~~[(2)] (3) A county assessor shall become fully acquainted with all property in [his] the county assessor's county, as provided in Section 59-2-301.~~

Section 3. Section **59-2-303.2** is enacted to read:

59-2-303.2. Automatic review of assessed value of review property.

(1) As used in this section:

(a) "Final assessed value" means:

(i) for a review property for which the taxpayer did not appeal the valuation or equalization in accordance with Section 59-2-1004, the assessed value as stated on the valuation notice described in Section 59-2-919.1;

(ii) for a review property for which the taxpayer appealed the valuation or equalization in accordance with Section 59-2-1004, the assessed value given to the review property by a county board of equalization after the appeal;

(iii) for real property for which the taxpayer or a county assessor appealed the valuation or equalization to the commission in accordance with Section 59-2-1006, the value given to the real property by:

(A) the commission, if the commission has issued a decision in the appeal; or

(B) a county board of equalization, if the commission has not yet issued a decision in the appeal; or

(iv) for real property for which the taxpayer or a county assessor sought judicial review of the valuation or equalization in accordance with Section 59-1-602 or Title 63G, Chapter 4, Part 4, Judicial Review, the value given the real property by the commission.

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(b) "Median property value change" means the midpoint of the property value changes for all real property that is:

(i) of the same class of real property as the review property; and

(ii) located within the same county and within the same market area as the review property.

(c) "Property value change" means the percentage change in the fair market value of real property between January 1 of the previous year and January 1 of the current year.

(d) "Review property" means real property located in the county:

(i) that between January 1 of the previous year and January 1 of the current year has not been improved or changed beyond improvements in place on January 1 of the previous taxable year; and

(ii) for which the county assessor did not conduct a detailed review of property characteristics during the current taxable year.

(e) "Threshold increase" means an increase in a review property's assessed value for the current taxable year compared to the final assessed value of the review property for the previous taxable year that is:

(i) the median property value change plus 15%; and

(ii) at least \$10,000.

(2) (a) Before completing and delivering the assessment book to the county auditor in accordance with Section 59-2-311, the county assessor shall review the assessment of a review property for which the assessed value for the current taxable year is equal to or exceeds the threshold increase.

(b) The county assessor shall retain a record of the properties for which the county assessor conducts a review in accordance with this section and the results of that review.

(3) (a) If the county assessor determines that the assessed value of the review property reflects the review property's fair market value, the county assessor shall not adjust the review property's assessed value.

(b) If the county assessor determines that the assessed value of the review property does not reflect the review property's fair market value, the county assessor shall adjust the assessed value of the review property to reflect the fair market value.

(4) The review process described in this section does not supersede or otherwise affect

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a taxpayer's right to appeal or to seek judicial review of the valuation or equalization of a review property in accordance with:

(a) this part;

(b) Title 59, Chapter 1, Part 6, Judicial Review; or

(c) Title 63G, Chapter 4, Part 4, Judicial Review.

Section 4. Section **59-2-311** is amended to read:

59-2-311. Completion and delivery of assessment book -- Signed statement required -- Contents of signed statement -- Adjustment of assessment in assessment book.

(1) [~~Prior to~~] Before May 22 each year, the county assessor shall complete and deliver the assessment book to the county auditor.

(2) The county assessor shall subscribe and sign a statement in the assessment book substantially as follows:

I, _____, the assessor of _____ County, do swear that before May 22, _____ (year), I made diligent inquiry and examination, and either personally or by deputy, established the value of all of the property within the county subject to assessment by me; that the property has been assessed on the assessment book equally and uniformly according to the best of my judgment, information, and belief at its fair market value; that I have faithfully complied with all the duties imposed on the assessor under the revenue laws including the requirements of Section 59-2-303.1; and that I have not imposed any unjust or double assessments through malice or ill will or otherwise, or allowed anyone to escape a just and equal assessment through favor or reward, or otherwise.

(3) Before completing and delivering the assessment book under Subsection (1), the county assessor shall adjust the assessment of property in the assessment book to reflect an adjustment in the taxable value of any property if the adjustment in taxable value is made:

(a) by the county board of equalization [~~under~~] in accordance with Section 59-2-1004.5[~~; and~~] on or before May 15; or

~~[(b) on or before May 15.]~~

(b) by the county assessor in accordance with Section 59-2-303.2.

Section 5. Section **59-2-919.1** is amended to read:

59-2-919.1. Notice of property valuation and tax changes.

(1) In addition to the notice requirements of Section 59-2-919, the county auditor, on or

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before July 22 of each year, shall notify each owner of real estate who is listed on the assessment roll.

(2) The notice described in Subsection (1) shall:

(a) except as provided in Subsection (4), be sent to all owners of real property by mail 10 or more days before the day on which:

(i) the county board of equalization meets; and

(ii) the taxing entity holds a public hearing on the proposed increase in the certified tax rate;

(b) be on a form that is:

(i) approved by the commission; and

(ii) uniform in content in all counties in the state; and

(c) contain for each property:

(i) the assessor's determination of the value of the property;

(ii) the date the county board of equalization will meet to hear complaints on the valuation;

(iii) itemized tax information for all applicable taxing entities, including:

(A) the dollar amount of the taxpayer's tax liability for the property in the prior year;

and

(B) the dollar amount of the taxpayer's tax liability under the current rate;

(iv) the tax impact on the property;

(v) the time and place of the required public hearing for each entity;

(vi) property tax information pertaining to:

(A) taxpayer relief;

(B) options for payment of taxes; and

(C) collection procedures;

(vii) information specifically authorized to be included on the notice under this chapter;

(viii) the last property review date of the property as described in Subsection 59-2-303.1(1)(c); and

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

(3) If a taxing entity that is subject to the notice and hearing requirements of

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Subsection 59-2-919(4) proposes a tax increase, the notice described in Subsection (1) shall state, in addition to the information required by Subsection (2):

- (a) the dollar amount of the taxpayer's tax liability if the proposed increase is approved;
- (b) the difference between the dollar amount of the taxpayer's tax liability if the proposed increase is approved and the dollar amount of the taxpayer's tax liability under the current rate, placed in close proximity to the information described in Subsection (2)(c)(v); and
- (c) the percentage increase that the dollar amount of the taxpayer's tax liability under the proposed tax rate represents as compared to the dollar amount of the taxpayer's tax liability under the current tax rate.

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

(b) (i) If a notice required by this section is sent by electronic means, a county auditor shall attempt to verify whether a taxpayer receives the notice.

(ii) If receipt of the notice sent by electronic means cannot be verified 14 days or more before the county board of equalization meets and the taxing entity holds a public hearing on a proposed increase in the certified tax rate, the notice required by this section shall also be sent by mail as provided in Subsection (2).

(c) A taxpayer may revoke an election to receive the notice required by this section by electronic means if the taxpayer provides written notice to the county auditor on or before April 30.

(d) An election or a revocation of an election under this Subsection (4):

(i) does not relieve a taxpayer of the duty to pay a tax due under this chapter on or before the due date for paying the tax; or

(ii) does not alter the requirement that a taxpayer appealing the valuation or the equalization of the taxpayer's real property submit the application for appeal within the time period provided in Subsection 59-2-1004~~(2)~~(3).

(e) A county auditor shall provide the notice required by this section as provided in Subsection (2), until a taxpayer makes a new election in accordance with this Subsection (4), if:

(i) the taxpayer revokes an election in accordance with Subsection (4)(c) to receive the

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notice required by this section by electronic means; or

(ii) the county auditor finds that the taxpayer's electronic contact information is invalid.

(f) A person is considered to be a taxpayer for purposes of this Subsection (4)

regardless of whether the property that is the subject of the notice required by this section is exempt from taxation.

Section 6. Section **59-2-1004** is amended to read:

59-2-1004. Appeal to county board of equalization -- Real property -- Time period for appeal -- Public hearing requirements -- Decision of board -- Extensions approved by commission -- Appeal to commission.

(1) As used in this section:

(a) "Final assessed value" means:

(i) for real property for which the taxpayer appealed the valuation or equalization to the county board of equalization in accordance with Section 59-2-1004, the value given to the real property by a county board of equalization after the appeal;

(ii) for real property for which the taxpayer or a county assessor appealed the valuation or equalization to the commission in accordance with Section 59-2-1006, the value given to the real property by:

(A) the commission, if the commission has issued a decision in the appeal; or

(B) a county board of equalization, if the commission has not yet issued a decision in the appeal; or

(iii) for real property for which the taxpayer or a county assessor sought judicial review of the valuation or equalization in accordance with Section 59-1-602 or Title 63G, Chapter 4, Part 4, Judicial Review, the value given the real property by the commission.

(b) "Inflation adjusted value" means the value of the real property that is the subject of the appeal as calculated by the county assessor in accordance with Subsection (2)(c).

(c) "Median property value change" means the midpoint of the property value changes for all real property that is:

(i) of the same class of real property as the qualified real property; and

(ii) located within the same county and within the same market area as the qualified real property.

(d) "Property value change" means the percentage change in the fair market value of

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real property between January 1 of the previous year and January 1 of the current year.

(e) "Qualified real property" means real property:

(i) for which:

(A) the taxpayer or a county assessor appealed the valuation or equalization for the previous taxable year to the county board of equalization in accordance with Section 59-2-1004 or the commission in accordance with Section 59-2-1006;

(B) as a result of the appeal described in Subsection (1)(e)(i)(A), a county board of equalization or the commission gave a final assessed value that was lower than the assessed value; and

(C) the assessed value for the current taxable year is higher than the inflation adjusted value; and

(ii) that, between January 1 of the previous taxable year and January 1 of the current taxable year, has not been improved or changed beyond the improvements in place on January 1 of the previous taxable year.

~~[(+)]~~ (2) (a) A taxpayer dissatisfied with the valuation or the equalization of the taxpayer's real property may make an application to appeal by:

(i) filing the application with the county board of equalization within the time period described in Subsection ~~[(2)]~~ (3); or

(ii) making an application by telephone or other electronic means within the time period described in Subsection ~~[(2)]~~ (3) if the county legislative body passes a resolution under Subsection ~~[(7)]~~ (8) authorizing a taxpayer to make an application by telephone or other electronic means.

(b) (i) The county board of equalization shall make a rule describing the contents of the application.

(ii) In addition to any information the county board of equalization requires, the application shall include information about:

(A) the burden of proof in an appeal involving qualified real property; and

(B) the process for the taxpayer to learn the inflation adjusted value of the qualified real property.

(c) (i) The county assessor shall calculate inflation adjusted value by changing the final assessed value for the previous taxable year of the real property that is the subject of the appeal

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by the median property value change.

(ii) (A) The county assessor shall notify the county board of equalization of a qualified real property's inflation adjusted value within 15 business days after the date on which the county assessor receives notice that a taxpayer filed an appeal with the county board of equalization.

(B) The county assessor shall notify the commission of a qualified real property's inflation adjusted value within 15 business days after the date on which the county assessor receives notice that a person dissatisfied with the decision of a county board of equalization files an appeal with the commission.

(iii) A person may not appeal a county assessor's calculation of inflation adjusted value.

~~[(2)]~~ (3) (a) Except as provided in Subsection ~~[(2)]~~ (3)(b) and for purposes of Subsection ~~[(1)]~~ (2), a taxpayer shall make an application to appeal the valuation or the equalization of the taxpayer's real property on or before the later of:

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

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

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

~~[(3)]~~ (4) (a) ~~[The owner]~~ Except as provided in Subsection (4)(b), the taxpayer shall include in the application under Subsection ~~[(1)]~~ (2)(a)(i) the ~~[owner's]~~ taxpayer's estimate of the fair market value of the property and any evidence that may indicate that the assessed valuation of the ~~[owner's]~~ taxpayer's property is improperly equalized with the assessed valuation of comparable properties.

(b) (i) For an appeal involving qualified real property:

(A) the county board of equalization shall presume that the fair market value of the qualified real property is equal to the inflation adjusted value; and

(B) except as provided in Subsection (4)(b)(ii), the taxpayer may provide the information described in Subsection (4)(a).

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(ii) If the taxpayer seeks to prove that the fair market value of the qualified real property is below the inflation adjusted value, the taxpayer shall provide the information described in Subsection (4)(a).

~~[(4)]~~ (5) In reviewing evidence submitted to a county board of equalization by or on behalf of an owner or a county assessor, the county board of equalization shall consider and weigh:

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

(b) if submitted, the sales price of relevant property that was under contract for sale as of the lien date but sold after the lien date;

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

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

~~[(5)]~~ (6) (a) The county board of equalization shall meet and hold public hearings as described in Section 59-2-1001.

(b) (i) For purposes of this Subsection ~~[(5)]~~ (6)(b), "significant adjustment" means a proposed adjustment to the valuation of real property that:

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

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

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

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

(B) for purposes of the agenda described in Subsection ~~[(5)]~~ (6)(b)(ii)(A), provide a description of the property for which the county board of equalization is considering a significant adjustment.

(c) The county board of equalization shall make a decision on each appeal filed in

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accordance with this section within 60 days after the day on which the taxpayer makes an application.

(d) The commission may approve the extension of a time period provided for in Subsection [~~(5)~~] (6)(b) for a county board of equalization to make a decision on an appeal.

(e) Unless the commission approves the extension of a time period under Subsection [~~(5)~~] (6)(d), if a county board of equalization fails to make a decision on an appeal within the time period described in Subsection [~~(5)~~] (6)(c), the county legislative body shall:

(i) list the appeal, by property owner and parcel number, on the agenda for the next meeting the county legislative body holds after the expiration of the time period described in Subsection [~~(5)~~] (6)(c); and

(ii) hear the appeal at the meeting described in Subsection [~~(5)~~] (6)(e)(i).

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

(i) a determination of the valuation of the property based on fair market value; and

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

(g) If no evidence is presented before the county board of equalization, the county board of equalization shall presume that the equalization issue has been met.

(h) (i) If the fair market value of the property that is the subject of the appeal deviates plus or minus 5% from the assessed value of comparable properties, the county board of equalization shall adjust the valuation of the appealed property to reflect a value equalized with the assessed value of comparable properties.

(ii) Subject to Sections 59-2-301.1, 59-2-301.2, 59-2-301.3, and 59-2-301.4, equalized value established under Subsection [~~(5)~~] (6)(h)(i) shall be the assessed value for property tax purposes until the county assessor is able to evaluate and equalize the assessed value of all comparable properties to bring all comparable properties into conformity with full fair market value.

[~~(6)~~] (7) If any taxpayer is dissatisfied with the decision of the county board of equalization, the taxpayer may file an appeal with the commission as described in Section 59-2-1006.

[~~(7)~~] (8) A county legislative body may pass a resolution authorizing taxpayers owing taxes on property assessed by that county to file property tax appeals applications under this

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section by telephone or other electronic means.

Section 7. Section **59-2-1004.5** is amended to read:

59-2-1004.5. Valuation adjustment for decrease in taxable value caused by a natural disaster.

(1) For purposes of this section:

(a) [~~"natural"~~] "Natural disaster" means:

(i) an explosion;

(ii) fire;

(iii) a flood;

(iv) a storm;

(v) a tornado;

(vi) winds;

(vii) an earthquake;

(viii) lightning;

(ix) any adverse weather event; or

(x) any event similar to an event described in this Subsection (1), as determined by the commission by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act[~~; and~~].

(b) "~~[natural]~~ Natural disaster damage" means any physical harm to property caused by a natural disaster.

(2) Except as provided in Subsection (3), if, during a calendar year, property sustains a decrease in taxable value that is caused by natural disaster damage, the owner of the property may apply to the county board of equalization for an adjustment in the taxable value of the owner's property as provided in Subsection (4).

(3) [~~Notwithstanding Subsection (2), an~~] An owner may not receive the valuation adjustment described in this section if the decrease in taxable value described in Subsection (2) is:

(a) due to the intentional action or inaction of the owner; or

(b) less than 30% of the taxable value of the property described in Subsection (2) before the decrease in taxable value described in Subsection (2).

(4) (a) To receive the valuation adjustment described in Subsection (2), the owner of

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the property shall file an application for the valuation adjustment with the county board of equalization on or before the later of:

(i) the deadline described in Subsection 59-2-1004~~[(2)]~~(3); or

(ii) 45 days after the day on which the natural disaster damage described in Subsection (2) occurs.

(b) The county board of equalization shall hold a hearing:

(i) within 30 days ~~[of]~~ after the day on which the county board of equalization receives the application described in Subsection (4)(a) ~~[is received by the board of equalization]~~; and

(ii) following the procedures and requirements of Section 59-2-1001.

(c) At the hearing described in Subsection (4)(b), the applicant shall have the burden of proving, by a preponderance of the evidence:

(i) that the property sustained a decrease in taxable value, that:

(A) was caused by natural disaster damage; and

(B) is at least 30% of the taxable value of the property described in this Subsection (4)(c)(i) before the decrease in taxable value described in this Subsection (4)(c)(i);

(ii) the amount of the decrease in taxable value described in Subsection (4)(c)(i); and

(iii) that the decrease in taxable value described in Subsection (4)(c)(i) is not due to the action or inaction of the applicant.

(d) If the county board of equalization determines that the applicant has met the burden of proof described in Subsection (4)(c), the county board of equalization shall reduce the valuation of the property described in Subsection (4)(c)(i) by an amount equal to the decrease in taxable value of the property multiplied by the percentage of the calendar year remaining after the natural disaster damage occurred.

(e) The decision of the board of equalization shall be provided to the applicant, in writing, within 30 days ~~[of]~~ after the day on which the county board of equalization concludes the hearing described in Subsection (4)(b) ~~[is concluded]~~.

(5) An applicant that is dissatisfied with a decision of the county board of equalization under this section may appeal that decision under Section 59-2-1006.

Section 8. ~~Section 59-2-1006 is amended to read:~~

~~59-2-1006. Appeal to commission -- Duties of auditor -- Decision by commission.~~

~~(1) Any person dissatisfied with the decision of the county board of equalization~~

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~~concerning the assessment and equalization of any property, or the determination of any exemption in which the person has an interest, may appeal that decision to the commission by filing a notice of appeal specifying the grounds for the appeal with the county auditor within 30 days after the final action of the county board:~~

~~—— (2) The auditor shall:~~

~~—— (a) file one notice with the commission;~~

~~—— (b) certify and transmit to the commission:~~

~~—— (i) the minutes of the proceedings of the county board of equalization for the matter appealed;~~

~~—— (ii) all documentary evidence received in that proceeding; and~~

~~—— (iii) a transcript of any testimony taken at that proceeding that was preserved; and~~

~~—— (c) if the appeal is from a hearing where an exemption was granted or denied, certify and transmit to the commission the written decision of the board of equalization as required by Section 59-2-1102.~~

~~—— (3) For an appeal from a decision by the county board of equalization, the commission shall make a determination of the fair market value or equalization without regard to a determination of fair market value or equalization made by the county board of equalization.~~

~~—— [(3)] (4) In reviewing the county board's decision, the commission may:~~

~~—— (a) admit additional evidence;~~

~~—— (b) issue orders that it considers to be just and proper; and~~

~~—— (c) make any correction or change in the assessment or order of the county board of equalization.~~

~~—— [(4)] (5) In reviewing evidence submitted to the commission by or on behalf of an owner or a county, the commission shall consider and weigh:~~

~~—— (a) the accuracy, reliability, and comparability of the evidence presented by the owner or the county;~~

~~—— (b) if submitted, the sales price of relevant property that was under contract for sale as of the lien date but sold after the lien date;~~

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

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~~—— (d) if submitted, other evidence that is relevant to determining the fair market value of the property:~~

~~—— [(5)] (6) In reviewing the county board's decision, the commission shall adjust property valuations to reflect a value equalized with the assessed value of other comparable properties if:~~

~~—— (a) the issue of equalization of property values is raised; and~~

~~—— (b) the commission determines that the property that is the subject of the appeal deviates in value plus or minus 5% from the assessed value of comparable properties:~~

~~—— [(6)] (7) The commission shall decide all appeals taken pursuant to this section not later than March 1 of the following year for real property and within 90 days for personal property, and shall report its decision, order, or assessment to the county auditor, who shall make all changes necessary to comply with the decision, order, or assessment.~~

~~—— Section 9.~~ **Effective date.**

If approved by two-thirds of all the members elected to each house, this bill takes effect upon approval by the governor, or the day following the constitutional time limit of Utah Constitution, Article VII, Section 8, without the governor's signature, or in the case of a veto, the date of veto override.

Section ~~{10}~~9. **Retrospective operation.**

This bill has retrospective operation to January 1, 2019.