

**Senator Daniel Hemmert** proposes the following substitute bill:

**PROPERTY TAX EXEMPTION FOR WILDFIRE  
PREVENTION**

2020 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Daniel Hemmert**

House Sponsor: Casey Snider

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**LONG TITLE**

**General Description:**

This bill provides a property tax exemption related to wildfire prevention on certain property.

**Highlighted Provisions:**

This bill:

- ▶ enacts a property tax exemption for property on which the owner takes one or more wildfire preparedness actions; and
- ▶ gives rulemaking authority to the Division of Forestry, Fire, and State Lands to:
  - identify which property and which expenses qualify for the abatement; and
  - establish a process for issuing property tax abatement documents.

**Money Appropriated in this Bill:**

This bill appropriates in fiscal year 2021:

- ▶ to the Department of Natural Resources -- Forestry, Fire, and State Lands, as an ongoing appropriation:
  - from the Sovereign Lands Management Account, \$10,000.
- ▶ to the Department of Natural Resources -- Forestry, Fire, and State Lands, as a one-time appropriation:



- from the Sovereign Lands Management Account, One-time, \$40,000.

**Other Special Clauses:**

This bill provides a contingent effective date.

**Utah Code Sections Affected:**

ENACTS:

**59-2-1118**, Utah Code Annotated 1953

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

Section 1. Section **59-2-1118** is enacted to read:

**59-2-1118. Exemption for wildfire preparedness.**

(1) As used in this section:

(a) "Claimant" means an owner of qualifying property.

(b) "Division" means the Division of Forestry, Fire, and State Lands created in Section [65A-1-4](#).

(c) "Property tax exemption document" means the document issued by the division under Subsection (5).

(d) "Qualifying property" means real property that the division determines is at high risk for wildfire.

(e) "Wildfire preparedness action" means one or more expenses paid by a claimant during a calendar year to reduce the risk of wildfire on the claimant's qualifying property.

(2) (a) In accordance with this section, a percentage of the taxable value of a claimant's qualifying property is exempt from taxation for a calendar year beginning on or after January 1, 2022, and immediately following the calendar year in which a wildfire preparedness action occurs on the claimant's qualifying property.

(b) The percentage described in Subsection (2)(a) is equal to the lesser of:

(i) the percentage calculated by dividing the amount of the wildfire preparedness action by the amount of the property tax liability on the qualifying property for the calendar year in which the wildfire preparedness action occurred;

(ii) the percentage established by the county in accordance with Subsection (3); or

(iii) the percentage that, accounting for all other applicable exemptions, makes the total reduction of the qualifying property's taxable value 80% of the taxable value.

57 (3) A county legislative body may by resolution establish a percentage that represents  
58 the maximum portion of the taxable value of qualifying property that may be exempt from  
59 taxation under this section.

60 (4) To receive the exemption described in Subsection (2), no later than April 1 of the  
61 calendar year immediately following the calendar year in which the wildfire preparedness  
62 action occurs, the claimant shall submit to the county an application:

- 63 (a) on a form prescribed by the commission; and
- 64 (b) that includes a copy of the property tax exemption document.

65 (5) (a) To obtain a property tax exemption document, a property owner shall submit to  
66 the division proof of a wildfire preparedness action.

67 (b) If the division determines that the property owner qualifies for a property tax  
68 exemption under this section, the division shall provide the property owner a written property  
69 tax exemption document that states:

- 70 (i) that the property owner qualifies for a property tax exemption under this section;
- 71 and
- 72 (ii) the amount of the wildfire preparedness action as provided in the proof submitted
- 73 to the division in accordance with Subsection (5)(a).

74 (6) The division shall make rules in accordance with Title 63G, Chapter 3, Utah  
75 Administrative Rulemaking Act, to establish:

- 76 (a) a process and standards for determining whether a property qualifies for a property
- 77 tax exemption under this section; and
- 78 (b) procedures for issuing a property tax exemption document.

79 **Section 2. Appropriation.**

80 The following sums of money are appropriated for the fiscal year beginning July 1,  
81 2020, and ending June 30, 2021. These are additions to amounts previously appropriated for  
82 fiscal year 2021. Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures  
83 Act, the Legislature appropriates the following sums of money from the funds or accounts  
84 indicated for the use and support of the government of the state of Utah.

85 ITEM 1

86 To Department of Natural Resources - Forestry, Fire, and State Lands

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| <u>From Sovereign Lands Management Account</u> | <u>\$10,000</u> |
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