

Senator Curtis S. Bramble proposes the following substitute bill:

PROPERTY TAX AMENDMENTS

2022 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Curtis S. Bramble

House Sponsor: Adam Robertson

LONG TITLE

General Description:

This bill modifies property tax and fee in lieu of property tax assessment provisions.

Highlighted Provisions:

This bill:

- ▶ clarifies the formula for calculating an energy supplier's fee in lieu of property tax;
- ▶ requires an interlocal entity that owns an electric generation and transmission facility to report to the State Tax Commission information about sales of electricity to energy suppliers and public agencies;
- ▶ modifies the circumstances under which a county has to require a written declaration to qualify for the primary residential property tax exemption;
- ▶ modifies a property owner's right to appeal a determination about the owner's eligibility for the primary residential property tax exemption;
- ▶ defines "public utility" and "telecommunications service provider";
- ▶ provides that the State Tax Commission may not assess property owned by a telecommunications service provider;
- ▶ creates a process for the Multicounty Appraisal Trust to value personal property of a telecommunications service provider before forwarding the information to county assessors for assessment; and



26 ▶ makes technical and conforming changes.

27 **Money Appropriated in this Bill:**

28 None

29 **Other Special Clauses:**

30 This bill provides a special effective date.

31 This bill provides retrospective operation.

32 **Utah Code Sections Affected:**

33 AMENDS:

34 **11-13-302**, as last amended by Laws of Utah 2018, Chapters 415 and 456

35 **59-2-102**, as last amended by Laws of Utah 2021, Chapter 314

36 **59-2-103.5**, as last amended by Laws of Utah 2021, Chapters 367 and 389

37 **59-2-201**, as last amended by Laws of Utah 2017, Chapter 425

38 **59-2-306**, as last amended by Laws of Utah 2010, Chapter 131

39 **59-2-307**, as last amended by Laws of Utah 2021, Chapter 389

40 **59-2-308**, as enacted by Laws of Utah 1987, Chapter 4

41 **59-2-1005**, as last amended by Laws of Utah 2010, Chapter 131

42 ENACTS:

43 **59-2-306.5**, Utah Code Annotated 1953



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

46 Section 1. Section **11-13-302** is amended to read:

47 **11-13-302. Payment of fee in lieu of ad valorem property tax by certain energy**
48 **suppliers -- Method of calculating -- Collection -- Extent of tax lien.**

49 (1) (a) Each project entity created under this chapter that owns a project and that sells
50 any capacity, service, or other benefit from it to an energy supplier or suppliers whose tangible
51 property is not exempted by Utah Constitution Article XIII, Section 3, from the payment of ad
52 valorem property tax, shall pay an annual fee in lieu of ad valorem property tax as provided in
53 this section to each taxing jurisdiction within which the project or any part of it is located.

54 (b) For purposes of this section, "annual fee" means the annual fee described in
55 Subsection (1)(a) that is in lieu of ad valorem property tax.

56 (c) The requirement to pay an annual fee shall commence:

57 (i) with respect to each taxing jurisdiction that is a candidate receiving the benefit of
58 impact alleviation payments under contracts or determination orders provided for in Sections
59 11-13-305 and 11-13-306, with the fiscal year of the candidate following the fiscal year of the
60 candidate in which the date of commercial operation of the last generating unit, other than any
61 generating unit providing additional project capacity, of the project occurs, or, in the case of
62 any facilities providing additional project capacity, with the fiscal year of the candidate
63 following the fiscal year of the candidate in which the date of commercial operation of the
64 generating unit providing the additional project capacity occurs; and

65 (ii) with respect to any taxing jurisdiction other than a taxing jurisdiction described in
66 Subsection (1)(c)(i), with the fiscal year of the taxing jurisdiction in which construction of the
67 project commences, or, in the case of facilities providing additional project capacity, with the
68 fiscal year of the taxing jurisdiction in which construction of those facilities commences.

69 (d) The requirement to pay an annual fee shall continue for the period of the useful life
70 of the project or facilities.

71 (2) (a) The annual fees due a school district shall be as provided in Subsection (2)(b)
72 because the ad valorem property tax imposed by a school district and authorized by the
73 Legislature represents both:

74 (i) a levy mandated by the state for the state minimum school program under Section
75 53F-2-301 or 53F-2-301.5, as applicable; and

76 (ii) local levies for capital outlay and other purposes under Sections 53F-8-303,
77 53F-8-301, and 53F-8-302.

78 (b) The annual fees due a school district shall be as follows:

79 (i) the project entity shall pay to the school district an annual fee for the state minimum
80 school program at the rate imposed by the school district and authorized by the Legislature
81 under Section 53F-2-301 or 53F-2-301.5, as applicable; and

82 (ii) for all other local property tax levies authorized to be imposed by a school district,
83 the project entity shall pay to the school district either:

84 (A) an annual fee; or

85 (B) impact alleviation payments under contracts or determination orders provided for
86 in Sections 11-13-305 and 11-13-306.

87 (3) (a) An annual fee due a taxing jurisdiction for a particular year shall be calculated

88 by multiplying the tax rate or rates of the jurisdiction for that year by the product obtained by
89 multiplying the fee base or value determined in accordance with Subsection (4) for that year of
90 the portion of the project located within the jurisdiction by the percentage of the project which
91 is used to produce the capacity, service, or other benefit sold to the energy supplier or suppliers.

92 (b) As used in this section, "tax rate," when applied in respect to a school district,
93 includes any assessment to be made by the school district under Subsection (2) or Section
94 63M-5-302.

95 (c) There is to be credited against the annual fee due a taxing jurisdiction for each year,
96 an amount equal to the debt service, if any, payable in that year by the project entity on bonds,
97 the proceeds of which were used to provide public facilities and services for impact alleviation
98 in the taxing jurisdiction in accordance with Sections 11-13-305 and 11-13-306.

99 (d) The tax rate for the taxing jurisdiction for that year shall be computed so as to:

100 (i) take into account the fee base or value of the percentage of the project located
101 within the taxing jurisdiction determined in accordance with Subsection (4) used to produce the
102 capacity, service, or other benefit sold to the supplier or suppliers; and

103 (ii) reflect any credit to be given in that year.

104 (4) (a) Except as otherwise provided in this section, the annual fees required by this
105 section shall be paid, collected, and distributed to the taxing jurisdiction as if:

106 (i) the annual fees were ad valorem property taxes; and

107 (ii) the project were assessed at the same rate and upon the same measure of value as
108 taxable property in the state.

109 (b) (i) Notwithstanding Subsection (4)(a), for purposes of an annual fee required by
110 this section, the fee base of a project may be determined in accordance with an agreement
111 among:

112 (A) the project entity; and

113 (B) any county that:

114 (I) is due an annual fee from the project entity; and

115 (II) agrees to have the fee base of the project determined in accordance with the
116 agreement described in this Subsection (4).

117 (ii) The agreement described in Subsection (4)(b)(i):

118 (A) shall specify each year for which the fee base determined by the agreement shall be

119 used for purposes of an annual fee; and

120 (B) may not modify any provision of this chapter except the method by which the fee
121 base of a project is determined for purposes of an annual fee.

122 (iii) For purposes of an annual fee imposed by a taxing jurisdiction within a county
123 described in Subsection (4)(b)(i)(B), the fee base determined by the agreement described in
124 Subsection (4)(b)(i) shall be used for purposes of an annual fee imposed by that taxing
125 jurisdiction.

126 (iv) (A) If there is not agreement as to the fee base of a portion of a project for any
127 year, for purposes of an annual fee, the State Tax Commission shall determine the value of that
128 portion of the project for which there is not an agreement:

129 (I) for that year; and

130 (II) using the same measure of value as is used for taxable property in the state.

131 (B) The valuation required by Subsection (4)(b)(iv)(A) shall be made by the State Tax
132 Commission in accordance with rules made by the State Tax Commission.

133 (c) Payments of the annual fees shall be made from:

134 (i) the proceeds of bonds issued for the project; and

135 (ii) revenues derived by the project entity from the project.

136 (d) (i) The contracts of the project entity with the purchasers of the capacity, service, or
137 other benefits of the project whose tangible property is not exempted by Utah Constitution
138 Article XIII, Section 3, from the payment of ad valorem property tax shall require each
139 purchaser, whether or not located in the state, to pay, to the extent not otherwise provided for,
140 its share, determined in accordance with the terms of the contract, of these fees.

141 (ii) It is the responsibility of the project entity to enforce the obligations of the
142 purchasers.

143 (5) (a) The responsibility of the project entity to make payment of the annual fees is
144 limited to the extent that there is legally available to the project entity, from bond proceeds or
145 revenues, money to make these payments, and the obligation to make payments of the annual
146 fees is not otherwise a general obligation or liability of the project entity.

147 (b) No tax lien may attach upon any property or money of the project entity by virtue of
148 any failure to pay all or any part of an annual fee.

149 (c) The project entity or any purchaser may contest the validity of an annual fee to the

150 same extent as if the payment was a payment of the ad valorem property tax itself.

151 (d) The payments of an annual fee shall be reduced to the extent that any contest is
152 successful.

153 (6) (a) The annual fee described in Subsection (1):

154 (i) shall be paid by a public agency that:

155 (A) is not a project entity; and

156 (B) owns an interest in a facility providing additional project capacity if the interest is
157 otherwise exempt from taxation pursuant to Utah Constitution, Article XIII, Section 3; and

158 (ii) for a public agency described in Subsection (6)(a)(i), shall be calculated in
159 accordance with Subsection (6)(b).

160 (b) The annual fee required under Subsection (6)(a) shall be an amount equal to the tax
161 rate or rates of the applicable taxing jurisdiction multiplied by the product of the following:

162 (i) the fee base or value of the facility providing additional project capacity located
163 within the jurisdiction;

164 (ii) the percentage of the ownership interest of the public agency in the facility; and

165 (iii) the portion, expressed as a percentage, of the public agency's ownership interest
166 that is attributable to the capacity, service, or other benefit from the facility that is sold,
167 including any subsequent sale, resale, or layoff, by the public agency to an energy supplier or
168 suppliers whose tangible property is not exempted by Utah Constitution, Article XIII, Section
169 3, from the payment of ad valorem property tax.

170 (c) A public agency paying the annual fee pursuant to Subsection (6)(a) shall have the
171 obligations, credits, rights, and protections set forth in Subsections (1) through (5) with respect
172 to its ownership interest as though it were a project entity.

173 (d) On or before March 1 of each year, a project entity that owns a project and that
174 provides any capacity, service, or other benefit to an energy supplier or a public agency shall
175 file an electronic report with the State Tax Commission that identifies:

176 (i) each energy supplier and public agency to which the project entity delivers capacity,
177 service, or other benefit; and

178 (ii) the amount of capacity, service, or other benefit delivered to each energy supplier
179 and public agency.

180 Section 2. Section **59-2-102** is amended to read:

181 **59-2-102. Definitions.**

182 As used in this chapter:

183 (1) (a) "Acquisition cost" means any cost required to put an item of tangible personal
184 property into service.

185 (b) "Acquisition cost" includes:

186 (i) the purchase price of a new or used item;

187 (ii) the cost of freight, shipping, loading at origin, unloading at destination, crating,
188 skidding, or any other applicable cost of shipping;

189 (iii) the cost of installation, engineering, rigging, erection, or assembly, including
190 foundations, pilings, utility connections, or similar costs; and

191 (iv) sales and use taxes.

192 (2) "Aerial applicator" means aircraft or rotorcraft used exclusively for the purpose of
193 engaging in dispensing activities directly affecting agriculture or horticulture with an
194 airworthiness certificate from the Federal Aviation Administration certifying the aircraft or
195 rotorcraft's use for agricultural and pest control purposes.

196 (3) "Air charter service" means an air carrier operation that requires the customer to
197 hire an entire aircraft rather than book passage in whatever capacity is available on a scheduled
198 trip.

199 (4) "Air contract service" means an air carrier operation available only to customers
200 that engage the services of the carrier through a contractual agreement and excess capacity on
201 any trip and is not available to the public at large.

202 (5) "Aircraft" means the same as that term is defined in Section [72-10-102](#).

203 (6) (a) Except as provided in Subsection (6)(b), "airline" means an air carrier that:

204 (i) operates:

205 (A) on an interstate route; and

206 (B) on a scheduled basis; and

207 (ii) offers to fly one or more passengers or cargo on the basis of available capacity on a
208 regularly scheduled route.

209 (b) "Airline" does not include an:

210 (i) air charter service; or

211 (ii) air contract service.

212 (7) "Assessment roll" or "assessment book" means a permanent record of the
213 assessment of property as assessed by the county assessor and the commission and may be
214 maintained manually or as a computerized file as a consolidated record or as multiple records
215 by type, classification, or categories.

216 (8) "Base parcel" means a parcel of property that was legally:

217 (a) subdivided into two or more lots, parcels, or other divisions of land; or

218 (b) (i) combined with one or more other parcels of property; and

219 (ii) subdivided into two or more lots, parcels, or other divisions of land.

220 (9) (a) "Certified revenue levy" means a property tax levy that provides an amount of
221 ad valorem property tax revenue equal to the sum of:

222 (i) the amount of ad valorem property tax revenue to be generated statewide in the
223 previous year from imposing a multicounty assessing and collecting levy, as specified in
224 Section [59-2-1602](#); and

225 (ii) the product of:

226 (A) eligible new growth, as defined in Section [59-2-924](#); and

227 (B) the multicounty assessing and collecting levy certified by the commission for the
228 previous year.

229 (b) For purposes of this Subsection (9), "ad valorem property tax revenue" does not
230 include property tax revenue received by a taxing entity from personal property that is:

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

232 (ii) semiconductor manufacturing equipment.

233 (c) For purposes of calculating the certified revenue levy described in this Subsection
234 (9), the commission shall use:

235 (i) the taxable value of real property assessed by a county assessor contained on the
236 assessment roll;

237 (ii) the taxable value of real and personal property assessed by the commission; and

238 (iii) the taxable year end value of personal property assessed by a county assessor
239 contained on the prior year's assessment roll.

240 (10) "County-assessed commercial vehicle" means:

241 (a) any commercial vehicle, trailer, or semitrailer that is not apportioned under Section
242 [41-1a-301](#) and is not operated interstate to transport the vehicle owner's goods or property in

243 furtherance of the owner's commercial enterprise;

244 (b) any passenger vehicle owned by a business and used by its employees for
245 transportation as a company car or vanpool vehicle; and

246 (c) vehicles that are:

247 (i) especially constructed for towing or wrecking, and that are not otherwise used to
248 transport goods, merchandise, or people for compensation;

249 (ii) used or licensed as taxicabs or limousines;

250 (iii) used as rental passenger cars, travel trailers, or motor homes;

251 (iv) used or licensed in this state for use as ambulances or hearses;

252 (v) especially designed and used for garbage and rubbish collection; or

253 (vi) used exclusively to transport students or their instructors to or from any private,
254 public, or religious school or school activities.

255 (11) "Eligible judgment" means a final and unappealable judgment or order under
256 Section [59-2-1330](#):

257 (a) that became a final and unappealable judgment or order no more than 14 months
258 before the day on which the notice described in Section [59-2-919.1](#) is required to be provided;
259 and

260 (b) for which a taxing entity's share of the final and unappealable judgment or order is
261 greater than or equal to the lesser of:

262 (i) \$5,000; or

263 (ii) 2.5% of the total ad valorem property taxes collected by the taxing entity in the
264 previous fiscal year.

265 (12) (a) "Escaped property" means any property, whether personal, land, or any
266 improvements to the property, that is subject to taxation and is:

267 (i) inadvertently omitted from the tax rolls, assigned to the incorrect parcel, or assessed
268 to the wrong taxpayer by the assessing authority;

269 (ii) undervalued or omitted from the tax rolls because of the failure of the taxpayer to
270 comply with the reporting requirements of this chapter; or

271 (iii) undervalued because of errors made by the assessing authority based upon
272 incomplete or erroneous information furnished by the taxpayer.

273 (b) "Escaped property" does not include property that is undervalued because of the use

274 of a different valuation methodology or because of a different application of the same valuation
275 methodology.

276 (13)(a) "Fair market value" means the amount at which property would change hands
277 between a willing buyer and a willing seller, neither being under any compulsion to buy or sell
278 and both having reasonable knowledge of the relevant facts.

279 (b) For purposes of taxation, "fair market value" shall be determined using the current
280 zoning laws applicable to the property in question, except in cases where there is a reasonable
281 probability of a change in the zoning laws affecting that property in the tax year in question and
282 the change would have an appreciable influence upon the value.

283 (14) "Geothermal fluid" means water in any form at temperatures greater than 120
284 degrees centigrade naturally present in a geothermal system.

285 (15) "Geothermal resource" means:

286 (a) the natural heat of the earth at temperatures greater than 120 degrees centigrade;
287 and

288 (b) the energy, in whatever form, including pressure, present in, resulting from, created
289 by, or which may be extracted from that natural heat, directly or through a material medium.

290 (16) (a) "Goodwill" means:

291 (i) acquired goodwill that is reported as goodwill on the books and records that a
292 taxpayer maintains for financial reporting purposes; or

293 (ii) the ability of a business to:

294 (A) generate income that exceeds a normal rate of return on assets and that results from
295 a factor described in Subsection (16)(b); or

296 (B) obtain an economic or competitive advantage resulting from a factor described in
297 Subsection (16)(b).

298 (b) The following factors apply to Subsection (16)(a)(ii):

299 (i) superior management skills;

300 (ii) reputation;

301 (iii) customer relationships;

302 (iv) patronage; or

303 (v) a factor similar to Subsections (16)(b)(i) through (iv).

304 (c) "Goodwill" does not include:

- 305 (i) the intangible property described in Subsection (19)(a) or (b);
- 306 (ii) locational attributes of real property, including:
 - 307 (A) zoning;
 - 308 (B) location;
 - 309 (C) view;
 - 310 (D) a geographic feature;
 - 311 (E) an easement;
 - 312 (F) a covenant;
 - 313 (G) proximity to raw materials;
 - 314 (H) the condition of surrounding property; or
 - 315 (I) proximity to markets;
- 316 (iii) value attributable to the identification of an improvement to real property,
- 317 including:
 - 318 (A) reputation of the designer, builder, or architect of the improvement;
 - 319 (B) a name given to, or associated with, the improvement; or
 - 320 (C) the historic significance of an improvement; or
 - 321 (iv) the enhancement or assemblage value specifically attributable to the interrelation
 - 322 of the existing tangible property in place working together as a unit.
- 323 (17) "Governing body" means:
 - 324 (a) for a county, city, or town, the legislative body of the county, city, or town;
 - 325 (b) for a local district under Title 17B, Limited Purpose Local Government Entities -
 - 326 Local Districts, the local district's board of trustees;
 - 327 (c) for a school district, the local board of education;
 - 328 (d) for a special service district under Title 17D, Chapter 1, Special Service District
 - 329 Act:
 - 330 (i) the legislative body of the county or municipality that created the special service
 - 331 district, to the extent that the county or municipal legislative body has not delegated authority
 - 332 to an administrative control board established under Section 17D-1-301; or
 - 333 (ii) the administrative control board, to the extent that the county or municipal
 - 334 legislative body has delegated authority to an administrative control board established under
 - 335 Section 17D-1-301; or

336 (e) for a public infrastructure district under Title 17D, Chapter 4, Public Infrastructure
337 District Act, the public infrastructure district's board of trustees.

338 (18) (a) Except as provided in Subsection (18)(c), "improvement" means a building,
339 structure, fixture, fence, or other item that is permanently attached to land, regardless of
340 whether the title has been acquired to the land, if:

341 (i) (A) attachment to land is essential to the operation or use of the item; and
342 (B) the manner of attachment to land suggests that the item will remain attached to the
343 land in the same place over the useful life of the item; or

344 (ii) removal of the item would:
345 (A) cause substantial damage to the item; or
346 (B) require substantial alteration or repair of a structure to which the item is attached.

347 (b) "Improvement" includes:
348 (i) an accessory to an item described in Subsection (18)(a) if the accessory is:
349 (A) essential to the operation of the item described in Subsection (18)(a); and
350 (B) installed solely to serve the operation of the item described in Subsection (18)(a);

351 and
352 (ii) an item described in Subsection (18)(a) that is temporarily detached from the land
353 for repairs and remains located on the land.

354 (c) "Improvement" does not include:
355 (i) an item considered to be personal property pursuant to rules made in accordance
356 with Section 59-2-107;

357 (ii) a moveable item that is attached to land for stability only or for an obvious
358 temporary purpose;

359 (iii) (A) manufacturing equipment and machinery; or
360 (B) essential accessories to manufacturing equipment and machinery;
361 (iv) an item attached to the land in a manner that facilitates removal without substantial
362 damage to the land or the item; or

363 (v) a transportable factory-built housing unit as defined in Section 59-2-1502 if that
364 transportable factory-built housing unit is considered to be personal property under Section
365 59-2-1503.

366 (19) "Intangible property" means:

367 (a) property that is capable of private ownership separate from tangible property,
368 including:
369 (i) money;
370 (ii) credits;
371 (iii) bonds;
372 (iv) stocks;
373 (v) representative property;
374 (vi) franchises;
375 (vii) licenses;
376 (viii) trade names;
377 (ix) copyrights; and
378 (x) patents;
379 (b) a low-income housing tax credit;
380 (c) goodwill; or
381 (d) a renewable energy tax credit or incentive, including:
382 (i) a federal renewable energy production tax credit under Section 45, Internal Revenue
383 Code;
384 (ii) a federal energy credit for qualified renewable electricity production facilities under
385 Section 48, Internal Revenue Code;
386 (iii) a federal grant for a renewable energy property under American Recovery and
387 Reinvestment Act of 2009, Pub. L. No. 111-5, Section 1603; and
388 (iv) a tax credit under Subsection 59-7-614(5).
389 (20) "Livestock" means:
390 (a) a domestic animal;
391 (b) a fish;
392 (c) a fur-bearing animal;
393 (d) a honeybee; or
394 (e) poultry.
395 (21) "Low-income housing tax credit" means:
396 (a) a federal low-income housing tax credit under Section 42, Internal Revenue Code;
397 or

398 (b) a low-income housing tax credit under Section 59-7-607 or Section 59-10-1010.

399 (22) "Metalliferous minerals" includes gold, silver, copper, lead, zinc, and uranium.

400 (23) "Mine" means a natural deposit of either metalliferous or nonmetalliferous
401 valuable mineral.

402 (24) "Mining" means the process of producing, extracting, leaching, evaporating, or
403 otherwise removing a mineral from a mine.

404 (25) (a) "Mobile flight equipment" means tangible personal property that is owned or
405 operated by an air charter service, air contract service, or airline and:

406 (i) is capable of flight or is attached to an aircraft that is capable of flight; or

407 (ii) is contained in an aircraft that is capable of flight if the tangible personal property
408 is intended to be used:

409 (A) during multiple flights;

410 (B) during a takeoff, flight, or landing; and

411 (C) as a service provided by an air charter service, air contract service, or airline.

412 (b) (i) "Mobile flight equipment" does not include a spare part other than a spare
413 engine that is rotated at regular intervals with an engine that is attached to the aircraft.

414 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
415 commission may make rules defining the term "regular intervals."

416 (26) "Nonmetalliferous minerals" includes, but is not limited to, oil, gas, coal, salts,
417 sand, rock, gravel, and all carboniferous materials.

418 (27) "Part-year residential property" means property that is not residential property on
419 January 1 of a calendar year but becomes residential property after January 1 of the calendar
420 year.

421 (28) "Personal property" includes:

422 (a) every class of property as defined in Subsection (29) that is the subject of
423 ownership and is not real estate or an improvement;

424 (b) any pipe laid in or affixed to land whether or not the ownership of the pipe is
425 separate from the ownership of the underlying land, even if the pipe meets the definition of an
426 improvement;

427 (c) bridges and ferries;

428 (d) livestock; and

429 (e) outdoor advertising structures as defined in Section [72-7-502](#).

430 (29) (a) "Property" means property that is subject to assessment and taxation according
431 to its value.

432 (b) "Property" does not include intangible property as defined in this section.

433 (30) (a) "Public utility" means:

434 ~~[(a) for purposes of this chapter,]~~ (i) the operating property of a railroad, gas
435 corporation, oil or gas transportation or pipeline company, coal slurry pipeline company,
436 electrical corporation, ~~[telephone corporation,]~~ sewerage corporation, or heat corporation where
437 the company performs the service for, or delivers the commodity to, the public generally or
438 companies serving the public generally, or in the case of a gas corporation or an electrical
439 corporation, where the gas or electricity is sold or furnished to any member or consumers
440 within the state for domestic, commercial, or industrial use; and

441 ~~[(b)]~~ (ii) the operating property of any entity or person defined under Section [54-2-1](#)
442 except water corporations.

443 (b) "Public utility" does not include the operating property of a telecommunications
444 service provider.

445 (31) (a) Subject to Subsection (31)(b), "qualifying exempt primary residential rental
446 personal property" means household furnishings, furniture, and equipment that:

447 (i) are used exclusively within a dwelling unit that is the primary residence of a tenant;

448 (ii) are owned by the owner of the dwelling unit that is the primary residence of a
449 tenant; and

450 (iii) after applying the residential exemption described in Section [59-2-103](#), are exempt
451 from taxation under this chapter in accordance with Subsection [59-2-1115\(2\)](#).

452 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
453 commission may by rule define the term "dwelling unit" for purposes of this Subsection (31)
454 and Subsection (34).

455 (32) "Real estate" or "real property" includes:

456 (a) the possession of, claim to, ownership of, or right to the possession of land;

457 (b) all mines, minerals, and quarries in and under the land, all timber belonging to
458 individuals or corporations growing or being on the lands of this state or the United States, and
459 all rights and privileges appertaining to these; and

460 (c) improvements.

461 (33) (a) "Relationship with an owner of the property's land surface rights" means a
462 relationship described in Subsection 267(b), Internal Revenue Code, except that the term 25%
463 shall be substituted for the term 50% in Subsection 267(b), Internal Revenue Code.

464 (b) For purposes of determining if a relationship described in Subsection 267(b),
465 Internal Revenue Code, exists, the ownership of stock shall be determined using the ownership
466 rules in Subsection 267(c), Internal Revenue Code.

467 (34) (a) "Residential property," for purposes of the reductions and adjustments under
468 this chapter, means any property used for residential purposes as a primary residence.

469 (b) "Residential property" includes:

470 (i) except as provided in Subsection (34)(b)(ii), includes household furnishings,
471 furniture, and equipment if the household furnishings, furniture, and equipment are:

472 (A) used exclusively within a dwelling unit that is the primary residence of a tenant;
473 and

474 (B) owned by the owner of the dwelling unit that is the primary residence of a tenant;
475 and

476 (ii) if the county assessor determines that the property will be used for residential
477 purposes as a primary residence:

478 (A) property under construction; or

479 (B) unoccupied property.

480 (c) "Residential property" does not include property used for transient residential use.

481 (d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
482 commission may by rule define the term "dwelling unit" for purposes of Subsection (31) and
483 this Subsection (34).

484 (35) "Split estate mineral rights owner" means a person that:

485 (a) has a legal right to extract a mineral from property;

486 (b) does not hold more than a 25% interest in:

487 (i) the land surface rights of the property where the wellhead is located; or

488 (ii) an entity with an ownership interest in the land surface rights of the property where
489 the wellhead is located;

490 (c) is not an entity in which the owner of the land surface rights of the property where

491 the wellhead is located holds more than a 25% interest; and

492 (d) does not have a relationship with an owner of the land surface rights of the property
493 where the wellhead is located.

494 (36) (a) "State-assessed commercial vehicle" means:

495 (i) any commercial vehicle, trailer, or semitrailer that operates interstate or intrastate to
496 transport passengers, freight, merchandise, or other property for hire; or

497 (ii) any commercial vehicle, trailer, or semitrailer that operates interstate and transports
498 the vehicle owner's goods or property in furtherance of the owner's commercial enterprise.

499 (b) "State-assessed commercial vehicle" does not include vehicles used for hire that are
500 specified in Subsection (10)(c) as county-assessed commercial vehicles.

501 (37) "Subdivided lot" means a lot, parcel, or other division of land, that is a division of
502 a base parcel.

503 (38) "Tax area" means a geographic area created by the overlapping boundaries of one
504 or more taxing entities.

505 (39) "Taxable value" means fair market value less any applicable reduction allowed for
506 residential property under Section [59-2-103](#).

507 (40) "Taxing entity" means any county, city, town, school district, special taxing
508 district, local district under Title 17B, Limited Purpose Local Government Entities - Local
509 Districts, or other political subdivision of the state with the authority to levy a tax on property.

510 (41) (a) "Tax roll" means a permanent record of the taxes charged on property, as
511 extended on the assessment roll, and may be maintained on the same record or records as the
512 assessment roll or may be maintained on a separate record properly indexed to the assessment
513 roll.

514 (b) "Tax roll" includes tax books, tax lists, and other similar materials.

515 (42) "Telecommunications service provider" means the same as that term is defined in
516 Section [59-12-102](#).

517 Section 3. Section **59-2-103.5** is amended to read:

518 **59-2-103.5. Procedures to obtain an exemption for residential property --**

519 **Procedure if property owner or property no longer qualifies to receive a residential**
520 **exemption.**

521 (1) Subject to Subsection (8), for residential property other than part-year residential

522 property, a county legislative body may adopt an ordinance that requires an owner to file an
523 application with the county board of equalization before a residential exemption under Section
524 59-2-103 may be applied to the value of the residential property if:

525 (a) the residential property was ineligible for the residential exemption during the
526 calendar year immediately preceding the calendar year for which the owner is seeking to have
527 the residential exemption applied to the value of the residential property;

528 (b) an ownership interest in the residential property changes; or

529 (c) the county board of equalization determines that there is reason to believe that the
530 residential property no longer qualifies for the residential exemption.

531 (2) (a) The application described in Subsection (1):

532 (i) shall be on a form the commission prescribes by rule and makes available to the
533 counties;

534 (ii) shall be signed by the owner of the residential property; and

535 (iii) may not request the sales price of the residential property.

536 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
537 commission may make rules prescribing the contents of the form described in Subsection
538 (2)(a).

539 (c) For purposes of the application described in Subsection (1), a county may not
540 request information from an owner of a residential property beyond the information provided in
541 the form prescribed by the commission under this Subsection (2).

542 (3) (a) Regardless of whether a county legislative body adopts an ordinance described
543 in Subsection (1), before a residential exemption may be applied to the value of part-year
544 residential property, an owner of the property shall:

545 (i) file the application described in Subsection (2)(a) with the county board of
546 equalization; and

547 (ii) include as part of the application described in Subsection (2)(a) a statement that
548 certifies:

549 (A) the date the part-year residential property became residential property;

550 (B) that the part-year residential property will be used as residential property for 183 or
551 more consecutive calendar days during the calendar year for which the owner seeks to obtain
552 the residential exemption; and

553 (C) that the owner, or a member of the owner's household, may not claim a residential
554 exemption for any property for the calendar year for which the owner seeks to obtain the
555 residential exemption, other than the part-year residential property, or as allowed under Section
556 59-2-103 with respect to the primary residence or household furnishings, furniture, and
557 equipment of the owner's tenant.

558 (b) If an owner files an application under this Subsection (3) on or after May 1 of the
559 calendar year for which the owner seeks to obtain the residential exemption, the county board
560 of equalization may require the owner to pay an application fee not to exceed \$50.

561 (4) Except as provided in Subsection (5), if a property owner no longer qualifies to
562 receive a residential exemption authorized under Section 59-2-103 for the property owner's
563 primary residence, the property owner shall:

564 (a) file a written statement with the county board of equalization of the county in which
565 the property is located:

566 (i) on a form provided by the county board of equalization; and

567 (ii) notifying the county board of equalization that the property owner no longer
568 qualifies to receive a residential exemption authorized under Section 59-2-103 for the property
569 owner's primary residence; and

570 (b) declare on the property owner's individual income tax return under Chapter 10,
571 Individual Income Tax Act, for the taxable year for which the property owner no longer
572 qualifies to receive a residential exemption authorized under Section 59-2-103 for the property
573 owner's primary residence, that the property owner no longer qualifies to receive a residential
574 exemption authorized under Section 59-2-103 for the property owner's primary residence.

575 (5) A property owner is not required to file a written statement or make the declaration
576 described in Subsection (4) if the property owner:

577 (a) changes primary residences;

578 (b) qualified to receive a residential exemption authorized under Section 59-2-103 for
579 the residence that was the property owner's former primary residence; and

580 (c) qualifies to receive a residential exemption authorized under Section 59-2-103 for
581 the residence that is the property owner's current primary residence.

582 (6) Subsections (2) through (5) do not apply to qualifying exempt primary residential
583 rental personal property.

584 (7) (a) Subject to Subsection (8), for the first calendar year in which a property owner
585 qualifies to receive a residential exemption under Section 59-2-103, a county assessor may
586 require the property owner to file a signed statement described in Section 59-2-306.

587 (b) Subject to Subsection (8) and notwithstanding Section 59-2-306, for a calendar year
588 after the calendar year described in Subsection (7)(a) in which a property owner qualifies for an
589 exemption described in Subsection 59-2-1115(2) for qualifying exempt primary residential
590 rental personal property, a signed statement described in Section 59-2-306 with respect to the
591 qualifying exempt primary residential rental personal property may only require the property
592 owner to certify, under penalty of perjury, that the property owner qualifies for the exemption
593 under Subsection 59-2-1115(2).

594 (8) (a) ~~[Subject to the requirements of this Subsection (8) and except as provided in~~
595 ~~Subsection (8)(b), on or before May 1, 2020, a]~~ After an ownership interest in residential
596 property changes, the county assessor shall:

597 (i) ~~notify [each owner of]~~ the owner of the residential property that the owner is
598 required to submit a written declaration described in Subsection (8)(d) within ~~[30]~~ 90 days after
599 the day on which the county assessor mails the notice under this Subsection (8)(a); and

600 (ii) ~~provide [each owner with a]~~ the owner of the residential property with the form
601 described in Subsection (8)(e) to make the written declaration described in Subsection (8)(d).

602 (b) A county assessor is not required to provide a notice to an owner of residential
603 property under Subsection (8)(a) if the situs address of the residential property is the same as
604 any one of the following:

605 (i) the mailing address of the residential property owner or the tenant of the residential
606 property;

607 (ii) the address listed on the:

608 (A) residential property owner's driver license; or

609 (B) tenant of the residential property's driver license; or

610 (iii) the address listed on the:

611 (A) residential property owner's voter registration; or

612 (B) tenant of the residential property's voter registration.

613 ~~[(c) After an ownership interest in residential property changes, the county assessor~~
614 ~~shall:]~~

615 ~~[(i) notify the owner of the residential property that the owner is required to submit a~~
616 ~~written declaration described in Subsection (8)(d) within 90 days after the day on which the~~
617 ~~owner receives notice under this Subsection (8)(c); and]~~

618 ~~[(ii) provide the owner of the residential property with the form described in~~
619 ~~Subsection (8)(e) to make the written declaration described in Subsection (8)(d).]~~

620 (c) A county assessor is not required to provide a notice to an owner of residential
621 property under Subsection (8)(a) if:

622 (i) the owner is using a post office box or rural route box located in the county where
623 the residential property is located; and

624 (ii) the residential property is located in a county of the fourth, fifth, or sixth class.

625 (d) An owner of residential property that receives a notice described in Subsection
626 (8)(a) ~~[or (c)]~~ shall submit a written declaration to the county assessor under penalty of perjury
627 certifying the information contained in the form provided in Subsection (8)(e).

628 (e) The written declaration required by Subsection (8)(d) shall be:

629 (i) signed by the owner of the residential property; and

630 (ii) in substantially the following form:

631 "Residential Property Declaration

632 This form must be submitted to the County Assessor's office where your new residential
633 property is located within 90 days of receipt. Failure to do so will result in the county assessor
634 taking action that could result in the withdrawal of the primary residential exemption from your
635 residential property.

636 Residential Property Owner Information

637 Name(s): _____

638 Home Phone: _____

639 Work Phone: _____

640 Mailing Address: _____

641 Residential Property Information

642 Physical Address: _____

643 Certification

644 1. Is this property used as a primary residential property or part-year residential
645 property for you or another person?

646 "Part-year residential property" means owned property that is not residential property on
647 January 1 of a calendar year but becomes residential property after January 1 of the calendar
648 year.

649 Yes No

650 2. Will this primary residential property or part-year residential property be occupied
651 for 183 or more consecutive calendar days by the owner or another person?

652 A part-year residential property occupied for 183 or more consecutive calendar days in
653 a calendar year by the owner(s) or a tenant is eligible for the exemption.

654 Yes No

655 If a property owner or a property owner's spouse claims a residential exemption under
656 Utah Code Ann. § 59-2-103 for property in this state that is the primary residence of the
657 property owner or the property owner's spouse, that claim of a residential exemption creates a
658 rebuttable presumption that the property owner and the property owner's spouse have domicile
659 in Utah for income tax purposes. The rebuttable presumption of domicile does not apply if the
660 residential property is the primary residence of a tenant of the property owner or the property
661 owner's spouse.

662 Signature

663 Under penalties of perjury, I declare to the best of my knowledge and belief, this
664 declaration and accompanying pages are true, correct, and complete.

665 _____(Owner signature) _____Date (mm/dd/yyyy)

666 _____(Owner printed name)

667 (f) For purposes of a written declaration described in this Subsection (8), a county may
668 not request information from a property owner beyond the information described in the form
669 provided in Subsection (8)(e).

670 (g) (i) If, after receiving a written declaration filed under Subsection (8)(d), the county
671 determines that the property has been incorrectly qualified or disqualified to receive a
672 residential exemption, the county shall:

673 (A) redetermine the property's qualification to receive a residential exemption; and

674 (B) notify the claimant of the redetermination and [its] the county's reason for the
675 redetermination.

676 (ii) The redetermination provided in Subsection (8)(g)(i)(A) is final unless [appealed

677 ~~within 30 days after the notice required by Subsection (8)(g)(i)(B):~~

678 (A) except as provided in Subsection (8)(g)(iii), the property owner appeals the
679 redetermination to the board of equalization in accordance with Subsection 59-2-1004(2); or

680 (B) the county determines that the property is eligible to receive a primary residential
681 exemption as part-year residential property.

682 (iii) The board of equalization may not accept an appeal that is filed after the later of:

683 (A) September 15 of the current calendar year; or

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

686 (h) (i) If a residential property owner fails to file a written declaration required by
687 Subsection (8)(d), the county assessor shall mail to the owner of the residential property a
688 notice that:

689 (A) the property owner failed to file a written declaration as required by Subsection
690 (8)(d); and

691 (B) the property owner will no longer qualify to receive the residential exemption
692 authorized under Section 59-2-103 for the property that is the subject of the written declaration
693 if the property owner does not file the written declaration required by Subsection (8)(d) within
694 30 days after the day on which the county assessor mails the notice under this Subsection
695 (8)(h)(i).

696 (ii) If a property owner fails to file a written declaration required by Subsection (8)(d)
697 after receiving the notice described in Subsection (8)(h)(i), the property owner no longer
698 qualifies to receive the residential exemption authorized under Section 59-2-103 in the calendar
699 year for the property that is the subject of the written declaration[;] unless:

700 (A) except as provided in Subsection (8)(h)(iii), the property owner appeals the
701 redetermination to the board of equalization in accordance with Subsection 59-2-1004(2); or

702 (B) the county determines that the property is eligible to receive a primary residential
703 exemption as part-year residential property.

704 (iii) The board of equalization may not accept an appeal that is filed after the later of:

705 (A) September 15 of the current calendar year; or

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

708 [(iii)] (iv) A property owner that is disqualified to receive the residential exemption
709 under Subsection (8)(h)(ii) may file an application described in Subsection (1) to determine
710 whether the owner is eligible to receive the residential exemption.

711 (i) The requirements of this Subsection (8) do not apply to a county assessor in a
712 county that has, for the five calendar years prior to 2019, had in place and enforced an
713 ordinance described in Subsection (1).

714 Section 4. Section **59-2-201** is amended to read:

715 **59-2-201. Assessment by commission -- Determination of value of mining**
716 **property -- Determination of value of aircraft -- Notification of assessment -- Local**
717 **assessment of property assessed by the unitary method -- Commission may consult with**
718 **county.**

719 (1) (a) By May 1 of each year, the following property, unless otherwise exempt under
720 the Utah Constitution or under Part 11, Exemptions, Deferrals, and Abatements, shall be
721 assessed by the commission at 100% of fair market value, as valued on January 1, in
722 accordance with this chapter:

723 (i) except as provided in Subsection (2), all property that operates as a unit across
724 county lines, if the values must be apportioned among more than one county or state;

725 (ii) all property of public utilities;

726 (iii) all operating property of an airline, air charter service, and air contract service;

727 (iv) all geothermal fluids and geothermal resources;

728 (v) all mines and mining claims except in cases, as determined by the commission,
729 where the mining claims are used for other than mining purposes, in which case the value of
730 mining claims used for other than mining purposes shall be assessed by the assessor of the
731 county in which the mining claims are located; and

732 (vi) all machinery used in mining, all property or surface improvements upon or
733 appurtenant to mines or mining claims. For the purposes of assessment and taxation, all
734 processing plants, mills, reduction works, and smelters that are primarily used by the owner of
735 a mine or mining claim for processing, reducing, or smelting minerals taken from a mine or
736 mining claim shall be considered appurtenant to that mine or mining claim, regardless of actual
737 location.

738 (b) (i) For purposes of Subsection (1)(a)(iii), operating property of an air charter

739 service does not include an aircraft that is:

740 (A) used by the air charter service for air charter; and

741 (B) owned by a person other than the air charter service.

742 (ii) For purposes of this Subsection (1)(b):

743 (A) "person" means a natural person, individual, corporation, organization, or other
744 legal entity; and

745 (B) a person does not qualify as a person other than the air charter service as described
746 in Subsection (1)(b)(i)(B) if the person is:

747 (I) a principal, owner, or member of the air charter service; or

748 (II) a legal entity that has a principal, owner, or member of the air charter service as a
749 principal, owner, or member of the legal entity.

750 (2) (a) The commission may not assess property owned by a telecommunications
751 service provider.

752 (b) The commission shall assess and collect property tax on state-assessed commercial
753 vehicles at the time of original registration or annual renewal.

754 ~~[(a)]~~ (i) The commission shall assess and collect property tax annually on
755 state-assessed commercial vehicles that are registered pursuant to Section [41-1a-222](#) or
756 [41-1a-228](#).

757 ~~[(b)]~~ (ii) State-assessed commercial vehicles brought into the state that are required to
758 be registered in Utah shall, as a condition of registration, be subject to ad valorem tax unless all
759 property taxes or fees imposed by the state of origin have been paid for the current calendar
760 year.

761 ~~[(c)]~~ (iii) Real property, improvements, equipment, fixtures, or other personal property
762 in this state owned by the company shall be assessed separately by the local county assessor.

763 ~~[(d)]~~ (iv) The commission shall adjust the value of state-assessed commercial vehicles
764 as necessary to comply with 49 U.S.C. Sec. 14502, and the commission shall direct the county
765 assessor to apply the same adjustment to any personal property, real property, or improvements
766 owned by the company and used directly and exclusively in their commercial vehicle activities.

767 (3) (a) The method for determining the fair market value of productive mining property
768 is the capitalized net revenue method or any other valuation method the commission believes,
769 or the taxpayer demonstrates to the commission's satisfaction, to be reasonably determinative

770 of the fair market value of the mining property.

771 (b) The commission shall determine the rate of capitalization applicable to mines,
772 consistent with a fair rate of return expected by an investor in light of that industry's current
773 market, financial, and economic conditions.

774 (c) In no event may the fair market value of the mining property be less than the fair
775 market value of the land, improvements, and tangible personal property upon or appurtenant to
776 the mining property.

777 (4) (a) As used in this Subsection (4), "aircraft pricing guide" means a nationally
778 recognized publication that assigns value estimates for individual commercial aircraft that are:

- 779 (i) identified by year, make, and model; and
- 780 (ii) in average condition typical for the aircraft's type and vintage.

781 (b) (i) Except as provided in Subsection (4)(d), the commission shall use an aircraft
782 pricing guide, adjusted as provided in Subsection (4)(c), to determine the fair market value of
783 aircraft assessed under this part.

784 (ii) The commission shall use the Airliner Price Guide as the aircraft pricing guide,
785 except that:

786 (A) if the Airliner Price Guide is no longer published or the commission determines
787 that another aircraft pricing guide more reasonably reflects the fair market value of aircraft, the
788 commission, after consulting with the airlines operating in the state, shall select an alternative
789 aircraft pricing guide;

790 (B) if an aircraft is not listed in the Airliner Price Guide, the commission shall use the
791 Aircraft Bluebook Price Digest as the aircraft pricing guide; and

792 (C) if the Aircraft Bluebook Price Digest is no longer published or the commission
793 determines that another aircraft pricing guide more reasonably reflects the fair market value of
794 aircraft, the commission, after consulting with the airlines operating in the state, shall select an
795 alternative aircraft pricing guide.

796 (c) (i) To reflect the value of an aircraft fleet that is used as part of the operating
797 property of an airline, air charter service, or air contract service, the fair market value of the
798 aircraft shall include a fleet adjustment as provided in this Subsection (4)(c).

799 (ii) If the aircraft pricing guide provides a method for making a fleet adjustment, the
800 commission shall use the method described in the aircraft pricing guide.

801 (iii) If the aircraft pricing guide does not provide a method for making a fleet
802 adjustment, the commission shall make a fleet adjustment by reducing the aircraft pricing guide
803 value of each aircraft in the fleet by .5% for each aircraft over three aircraft up to a maximum
804 20% reduction.

805 (d) The commission may use an alternative method for valuing aircraft of an airline, air
806 charter service, or air contract service if the commission:

807 (i) has clear and convincing evidence that the aircraft values reflected in the aircraft
808 pricing guide do not reasonably reflect fair market value of the aircraft; and

809 (ii) cannot identify an alternative aircraft pricing guide from which the commission
810 may determine aircraft value.

811 (5) Immediately following the assessment, the commission shall send, by certified
812 mail, notice of the assessment to the owner or operator of the assessed property and the
813 assessor of the county in which the property is located.

814 (6) The commission may consult with a county in valuing property in accordance with
815 this part.

816 (7) The local county assessor shall separately assess property that is assessed by the
817 unitary method if the commission determines that the property:

818 (a) is not necessary to the conduct of the business; and

819 (b) does not contribute to the income of the business.

820 Section 5. Section **59-2-306** is amended to read:

821 **59-2-306. Statements by taxpayers -- Power of assessors respecting statements --**
822 **Reporting information to other counties, taxpayer.**

823 (1) (a) [The] Except as provided in Subsection (1)(c), the county assessor may request
824 a signed statement from any person setting forth all the real and personal property assessable by
825 the assessor [~~which is owned, possessed, managed, or under the control of the person]~~ that the
826 person owns, possesses, manages, or has under the person's control at 12 noon on January 1.

827 (b) A request under Subsection (1)(a) shall include a notice of the procedure under
828 Section **59-2-1005** for appealing the value of the personal property.

829 (c) A telecommunications service provider shall file a signed statement setting forth
830 the telecommunications service provider's:

831 (i) real property in accordance with this section; and

832 (ii) personal property in accordance with Section 59-2-306.5.

833 (d) A telecommunications service provider shall claim an exemption for personal
834 property in accordance with Section 59-2-1115.

835 (2) (a) Except as provided in Subsection (2)(b) or (c), a person shall file a signed
836 statement described in Subsection (1) [~~shall be filed~~] on or before May 15 of the year the
837 county assessor requests the statement described in Subsection (1) [~~is requested by the county~~
838 assessor].

839 (b) For a county of the first class, a person shall file the signed statement described in
840 Subsection (1) [~~shall be filed~~] on or before the later of:

841 (i) 60 days after [~~requested by the assessor~~] the day on which the county assessor
842 requests the statement; or

843 (ii) [~~on or before~~] May 15 of the year the county assessor requests the statement
844 described in Subsection (1) [~~is requested by the county assessor~~] if, by resolution, the county
845 legislative body of that county adopts the deadline described in Subsection (2)(a).

846 (c) If a county assessor requests a signed statement described in Subsection (1) on or
847 after March 16, the person shall file the signed statement within 60 days after [~~requested by the~~
848 assessor] the day on which the county assessor requests the signed statement.

849 (3) The signed statement shall include the following:

850 (a) all property belonging to, claimed by, or in the possession, control, or management
851 of the person, any firm of which the person is a member, or any corporation of which the
852 person is president, secretary, cashier, or managing agent;

853 (b) the county in which the property is located or in which [~~it~~] the property is taxable;
854 and, if taxable in the county in which the signed statement was made, also the city, town,
855 school district, road district, or other taxing district in which [~~it~~] the property is located or
856 taxable; and

857 (c) all lands in parcels or subdivisions not exceeding 640 acres each, the sections and
858 fractional sections of all tracts of land containing more than 640 acres [~~which~~] that have been
859 sectionized by the United States Government, and the improvements on those lands.

860 (4) Every county assessor may subpoena and examine any person in any county in
861 relation to any signed statement but may not require that person to appear in any county other
862 than the county in which the subpoena is served.

863 (5) (a) Except as provided in Subsection (5)(b), if the signed statement discloses
864 property in any other county, the county assessor shall file the signed statement and send a copy
865 to the county assessor of each county in which the property is located.

866 (b) If the signed statement discloses personal property of a telecommunications service
867 provider, the county assessor shall notify the telecommunications service provider of the
868 requirement to file a signed statement in accordance with Section [59-2-306.5](#).

869 Section 6. Section **59-2-306.5** is enacted to read:

870 **59-2-306.5. Valuation of personal property of telecommunications service**
871 **provider -- Reporting information to counties.**

872 (1) As used in this section, "Multicounty Appraisal Trust" means the same as that term
873 is defined in Section [59-2-1601](#).

874 (2) A telecommunications service provider shall provide to the Multicounty Appraisal
875 Trust a signed statement setting forth all of the personal property that the telecommunications
876 service provider owns, possesses, manages, or has under the telecommunications service
877 provider's control in the state.

878 (3) The signed statement shall:

879 (a) itemize each item of personal property that the telecommunications service provider
880 owns, possesses, manages, or has under the telecommunications service provider's control:

881 (i) by county; and

882 (ii) for the tax year that began on January 1; and

883 (b) be submitted:

884 (i) annually on or before May 15; and

885 (ii) electronically in a form approved by the commission.

886 (4) (a) The Multicounty Appraisal Trust shall value each item of personal property of a
887 telecommunications service provider according to the personal property valuation guides and
888 schedules established by the commission.

889 (b) A telecommunications service provider may appeal the valuation of personal
890 property in accordance with Section [59-2-1005](#).

891 (5) The Multicounty Appraisal Trust shall forward to each county information about
892 the total value of personal property of each telecommunications service provider within the
893 county.

894 (6) If a signed statement filed in accordance with this section discloses real property,
895 the Multicounty Appraisal Trust shall send a copy of the signed statement to the county in
896 which the property is located.

897 Section 7. Section **59-2-307** is amended to read:

898 **59-2-307. Refusal by taxpayer to file signed statement -- Estimation of Value --**
899 **Penalty.**

900 (1) (a) Each person ~~[who]~~ that fails to file the signed statement required by Section
901 59-2-306 or Section 59-2-306.5, fails to file the signed statement with respect to name and
902 place of residence, or fails to appear and testify when requested by the assessor, shall pay a
903 penalty equal to 10% of the estimated tax due, but not less than \$25 for each failure to file a
904 signed and completed statement.

905 (b) The Multicounty Appraisal Trust shall notify the county assessor of a
906 telecommunications service provider's failure to file the signed statement.

907 ~~[(b)]~~ (c) [Each] The assessor shall collect each penalty under Subsection (1)(a) ~~[shall~~
908 ~~be collected]~~ in the manner provided by Sections 59-2-1302 and 59-2-1303, except as
909 otherwise provided for in this section, or by a judicial proceeding brought in the name of the
910 assessor.

911 ~~[(c) All money recovered by any assessor under this section shall be paid into the~~
912 ~~county treasury.]~~

913 (d) The assessor shall pay all money recovered under this section into the county
914 treasury.

915 (2) ~~[(a)]~~ Upon a showing of reasonable cause, a county may waive or reduce a penalty
916 imposed under Subsection (1)(a).

917 ~~[(b)]~~ (a) (i) Except as provided in Subsection (2)(b)(ii), a county assessor may impose a
918 penalty under Subsection (1)(a) [may be imposed] on or after May 16 of the year the county
919 assessor requests the statement described in Section 59-2-306 ~~[is requested by the county~~
920 ~~assessor]~~ or is due under Section 59-2-306.5.

921 (ii) A county assessor may not impose a penalty under Subsection (1)(a) [may not be
922 imposed] until 30 days after the postmark date of mailing of a subsequent notice if the signed
923 statement described in Section 59-2-306 is requested:

924 (A) on or after March 16; or

925 (B) by a county assessor of a county of the first class.

926 (3) (a) If an owner neglects or refuses to file a signed statement requested by an
927 assessor as required under Section 59-2-306:

928 (i) the assessor shall:

929 (A) make a record of the failure to file; and

930 (B) make an estimate of the value of the property of the owner based on known facts
931 and circumstances; and

932 (ii) the assessor of a county of the first class:

933 (A) shall make a subsequent request by mail for the signed statement, informing the
934 owner of the consequences of not filing a signed statement; and

935 (B) may impose a fee for the actual and necessary expenses of the mailing under
936 Subsection (3)(a)(ii)(A).

937 (b) (i) If a telecommunications service provider neglects or refuses to file a signed
938 statement in accordance with Section 59-2-306.5, the Multicounty Appraisal Trust shall make:

939 (A) a record of the failure to file;

940 (B) a request by mail for the signed statement, informing the telecommunications
941 service provider of the consequences of not filing a signed statement; and

942 (C) an estimate of the value of the personal property of the telecommunications
943 service provider based on known facts and circumstances.

944 (ii) The Multicounty Appraisal Trust may impose a fee for the actual and necessary
945 expenses of the mailing under Subsection (3)(b)(i)(B).

946 (c) A county board of equalization or the commission may not reduce the value fixed
947 by the assessor in accordance with Subsection (3)(a)(i) or the Multicounty Appraisal Trust in
948 accordance with Subsection (3)(b)(i).

949 ~~[(b) The value fixed by the assessor in accordance with Subsection (3)(a)(i) may not be~~
950 ~~reduced by the county board of equalization or by the commission.]~~

951 ~~[(4) If the signed statement discloses property in any other county, the assessor shall~~
952 ~~file the signed statement and send a copy to the assessor of each county in which the property is~~
953 ~~located.]~~

954 Section 8. Section 59-2-308 is amended to read:

955 **59-2-308. Assessment in name of representative -- Assessment of property of**

956 **decedents -- Assessment of property in litigation -- Assessment of personal property**
957 **valued by Multicounty Appraisal Trust.**

958 (1) If a person is assessed as agent, trustee, bailee, guardian, executor, or administrator,
959 ~~[the]~~ a county shall:

960 (a) add the representative designation ~~[shall be added]~~ to the name~~[-];~~ and ~~[the~~
961 ~~assessment entered]~~

962 (b) enter the assessment separately from the individual assessment.

963 (2) ~~[The]~~ A county may assess the undistributed or unpartitioned property of a
964 ~~deceased~~ ~~[person may be assessed]~~ individual to an heir, guardian, executor, or administrator,
965 and the payment of taxes binds all the parties in interest.

966 (3) Property in litigation₂ which is in the possession of a court or receiver₂ shall be
967 assessed to the court clerk or receiver, and the taxes shall be paid under the direction of the
968 court.

969 (4) A county shall add the valuation the Multicounty Appraisal Trust gives to personal
970 property of a telecommunications service provider to the valuation of any real property of the
971 telecommunications service provider within the county before making an assessment in
972 accordance with this part.

973 Section 9. Section **59-2-1005** is amended to read:

974 **59-2-1005. Procedures for appeal of personal property valuation -- Time for**
975 **appeal -- Hearing -- Decision -- Appeal to commission.**

976 (1)(a) A taxpayer owning personal property assessed by a county assessor under
977 Section **59-2-301** may make an appeal relating to the value of the personal property by filing an
978 application with the county legislative body no later than:

979 (i) the expiration of the time allowed under Section **59-2-306** for filing a signed
980 statement, if the county assessor requests a signed statement under Section **59-2-306** or the
981 expiration of the time allowed under Section **59-2-306.5** if the taxpayer is a
982 telecommunications service provider; or

983 (ii) 60 days after the mailing of the tax notice, for each other taxpayer.

984 (b) A county legislative body shall:

985 (i) after giving reasonable notice, hear an appeal filed under Subsection (1)(a); and

986 (ii) render a written decision on the appeal within 60 days after receiving the appeal.

987 (c) If the taxpayer is dissatisfied with a county legislative body decision under
988 Subsection (1)(b), the taxpayer may file an appeal with the commission in accordance with
989 Section [59-2-1006](#).

990 (2) A taxpayer owning personal property subject to a fee in lieu of tax or a uniform tax
991 under Article XIII, Section 2 of the Utah Constitution that is based on the value of the property
992 may appeal the basis of the value by filing an appeal with the commission within 30 days after
993 the mailing of the tax notice.

994 Section 10. **Effective date.**

995 (1) Except as provided in Subsection (2), and if approved by two-thirds of all the
996 members elected to each house, this bill takes effect upon approval by the governor, or the day
997 following the constitutional time limit of Utah Constitution, Article VII, Section 8, without the
998 governor's signature, or in the case of a veto, the date of veto override.

999 (2) The changes to the following sections take effect on January 1, 2023:

1000 (a) Section [11-13-302](#);

1001 (b) Section [59-2-102](#);

1002 (c) Section [59-2-201](#);

1003 (d) Section [59-2-306](#);

1004 (e) Section [59-2-306.5](#);

1005 (f) Section [59-2-307](#);

1006 (g) Section [59-2-308](#); and

1007 (h) Section [59-2-1005](#).

1008 Section 11. **Retrospective operation.**

1009 The changes to Section [59-2-103.5](#) have retrospective operation to January 1, 2022.