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GREENBELT PROPERTY AMENDMENTS

2023 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jason Kyle

Senate Sponsor: Ronald M. Winterton

LONG TITLE

General Description:

This bill modifies provisions of the Utah Farmland Assessment Act.

Highlighted Provisions:

This bill:

- ▶ requires a county or commission to waive the acreage requirement for agricultural assessment if the assessed property fails to meet the acreage requirement because of a governmental entity exercising eminent domain or threatening eminent domain;
- and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

59-2-503, as last amended by Laws of Utah 2013, Chapter 322

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

Section 1. Section **59-2-503** is amended to read:

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



28 (1) For general property tax purposes, land may be assessed on the basis of the value
29 that the land has for agricultural use if the land:

30 (a) is not less than five contiguous acres in area, except that land may be assessed on
31 the basis of the value that the land has for agricultural use:

32 (i) if:

33 (A) the land is devoted to agricultural use in conjunction with other eligible acreage;
34 and

35 (B) the land and the other eligible acreage described in Subsection (1)(a)(i)(A) have
36 identical legal ownership; or

37 (ii) as provided under ~~[Subsection (4)]~~ Subsections (4) and (5); and

38 (b) except as provided in Subsection ~~[(5)]~~ 6 or ~~[(6)]~~ 7:

39 (i) is actively devoted to agricultural use; and

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

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

45 (a) production levels reported in the current publication of the Utah Agricultural
46 Statistics;

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

48 (c) other acceptable standards of agricultural production designated by the commission
49 by rule adopted in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking
50 Act.

51 (3) Land may be assessed on the basis of the land's agricultural value if the land:

52 (a) is subject to the privilege tax imposed by Section [59-4-101](#);

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

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

55 (4) Notwithstanding Subsection (1)(a), the commission or a county board of
56 equalization may grant a waiver of the acreage limitation for land upon:

57 (a) appeal by the owner; and

58 (b) submission of proof that~~[(i)]~~ 80% or more of the owner's, purchaser's, or lessee's

59 income is derived from agricultural products produced on the property in question~~[; or]~~.

60 ~~[(ii) (A) the failure to meet the acreage requirement arose solely as a result of an~~
61 ~~acquisition by a governmental entity by:]~~

62 ~~[(I) eminent domain; or]~~

63 ~~[(H) the threat or imminence of an eminent domain proceeding;]~~

64 ~~[(B) the land is actively devoted to agricultural use; and]~~

65 ~~[(C) no change occurs in the ownership of the land.]~~

66 (5) Notwithstanding Subsection (1)(a), the commission or a county board of

67 equalization shall grant a waiver of the acreage limitation for land upon:

68 (a) appeal by the owner; and

69 (b) submission of proof that:

70 (i) the failure to meet the acreage requirement arose solely as a result of an acquisition

71 by a governmental entity by:

72 (A) eminent domain; or

73 (B) the threat or imminence of an eminent domain proceeding; and

74 (ii) the land is actively devoted to agricultural use.

75 ~~[(5)]~~ (6) (a) The commission or a county board of equalization may grant a waiver of

76 the requirement that the land is actively devoted to agricultural use for the tax year for which

77 the land is being assessed under this part upon:

78 (i) appeal by the owner; and

79 (ii) submission of proof that:

80 (A) the land was assessed on the basis of agricultural use for at least two years

81 immediately preceding that tax year; and

82 (B) the failure to meet the agricultural production requirements for that tax year was

83 due to no fault or act of the owner, purchaser, or lessee.

84 (b) As used in Subsection ~~[(5)(a)]~~ (6)(a), "fault" does not include:

85 (i) intentional planting of crops or trees which, because of the maturation period, do

86 not give the owner, purchaser, or lessee a reasonable opportunity to satisfy the production

87 levels required for land actively devoted to agricultural use; or

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

89 or other similar accepted cultural practices which do not give the owner, purchaser, or lessee a

90 reasonable opportunity to satisfy the production levels required for land actively devoted to
91 agricultural use.

92 ~~[(6)]~~ (7) Land that otherwise qualifies for assessment under this part qualifies for
93 assessment under this part in the first year the land resumes being actively devoted to
94 agricultural use if:

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

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

100 ~~[(7)]~~ (8) Land that otherwise qualifies under Subsection (1) to be assessed on the basis
101 of the value that the land has for agricultural use does not lose that qualification by becoming
102 subject to a forest stewardship plan developed under Section [65A-8a-106](#) under which the land
103 is subject to a temporary period of limited use or nonuse.