

Representative Jason B. Kyle proposes the following substitute bill:

FALLOW LAND AMENDMENTS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jason B. Kyle

Senate Sponsor: Daniel McCay

LONG TITLE

General Description:

This bill addresses the applicability of fallow land to agricultural and urban farming property tax assessment.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ allows for fallow land to qualify for agricultural and urban farming assessment;
- ▶ ~~§~~ → [~~requires~~] allows ← ~~§~~ landowners to provide written notice to the county assessor in each year that land is fallowed;
- ▶ allows a county assessor to require landowners to submit a land management plan if a landowner intends to fallow land for more than one year; and
- ▶ makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:



88 reasonable opportunity to satisfy the production levels required for land actively devoted to
89 agricultural use.

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

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

94 (b) the land qualified for assessment under this part in the year immediately preceding
95 the year the land became 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.

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

101 (9) (a) Notwithstanding Subsection (1) and except as provided in Subsection (9)(d),
102 land in agricultural use that is intentionally allowed to lay fallow for one or more growing
103 seasons qualifies for assessment under this part if the following is conducted:

104 (i) during periods of limited water supply;

105 (ii) as part of a prudent farm management practice, including crop rotation, rotational
106 grazing, or soil water management; or

107 (iii) to facilitate voluntary participation in a water management or agricultural water
108 optimization program.

109 (b) If the owner of land assessed under this part follows the land during any period in a
110 calendar year, the owner ~~shall~~ may , on or before December 31 of the year in which the
110a land is

111 fallowed, provide to the county assessor written notice that:

112 (i) identifies the land that was fallowed during any period of the year in which the
113 notice is provided, including the acreage of the fallowed land;

114 (ii) demonstrates how the land qualifies under Subsection (9)(a); and

115 (iii) specifies whether the owner intends to fallow the land during any period in the
116 following calendar year, and, if so, the intended duration of the following period.

117 (c) (i) If the written notice under Subsection (9)(b) indicates that the owner intends to
118 fallow the land during any period in the following calendar year, the county assessor may,

119 within 45 days of receiving the written notice, require the owner to submit to the county
 120 assessor a land management plan in a form prescribed by the county assessor that:

121 (A) identifies the owner's objectives in fallowing the land for the intended duration of
 122 the fallowing period;

123 (B) provides adequate assurances to the county assessor that the fallowed land will
 124 become actively devoted to agricultural use upon the expiration of the intended fallowing
 125 period; and

126 (C) includes any other information required by the county assessor.

127 (ii) If the owner submits to the county assessor a land management plan for fallowed
 128 land that meets the requirements of Subsection (9)(c)(i), the county assessor may not require
 129 the owner to submit a new or additional land management plan for the same land within three
 130 years from the day on which the owner submitted the plan.

131 (d) Fallowed land is withdrawn from this part if:

132 (i) the county assessor determines that the land does not qualify under Subsection
 133 (9)(a);

134 (ii) the owner fails to ~~§~~→ [comply with the written notice requirements of Subsection (9)(b);
 135 including, if applicable, failing to] ←~~§~~ return the fallowed land to active agricultural use upon the
 136 expiration of the intended fallowing period as specified in the written notice; or

137 (iii) the owner fails to comply with the requirements of Subsection (9)(c), if a land
 138 management plan is required.

139 Section 2. Section **59-2-1703** is amended to read:

140 **59-2-1703. Qualifications for urban farming assessment.**

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

143 (i) is actively devoted to urban farming;

144 (ii) is at least one contiguous acre, but less than five acres, in size; and

145 (iii) (A) has been actively devoted to urban farming for at least two successive years
 146 immediately preceding the tax year for which the land is assessed under this part; or

147 (B) was assessed under Part 5, Farmland Assessment Act, for the preceding tax year.

148 (b) Land that is not actively devoted to urban farming may not be assessed as provided
 149 in Subsection (1)(a), even if the land is part of a parcel that includes land actively devoted to

181 (ii) as part of a prudent farm management practice, including crop rotation, rotational
 182 grazing, or soil water management; or

183 (iii) to facilitate voluntary participation in a water management or agricultural water
 184 optimization program.

185 (b) If the owner of land assessed under this part fallows the land during any period in a
 186 calendar year, the owner ~~shall~~ may ~~return~~, on or before December 31 of the year in which the
 186a land is
 187 fallowed, provide to the county assessor written notice that:

188 (i) identifies the land that was fallowed during any period of the calendar year in which
 189 the notice is provided, including the acreage of the fallowed land;

190 (ii) demonstrates how the fallowed land qualifies under Subsection (4)(a); and

191 (iii) specifies whether the owner intends to fallow the land during any period in the
 192 following calendar year, and, if so, the intended duration of the fallowing period.

193 (c) (i) If a written notice under Subsection (4)(b) indicates that the owner intends to
 194 fallow the land during any period in the following calendar year, the county assessor may,
 195 within 45 days of receiving the written notice, require the owner to submit to the county
 196 assessor a land management plan in a form prescribed by the county assessor that:

197 (A) identifies the owner's objectives in fallowing the land for the intended duration of
 198 the fallowing period;

199 (B) provides adequate assurances to the county assessor that the fallowed land will
 200 become actively devoted to urban farming upon the expiration of the intended fallowing
 201 period; and

202 (C) includes any other information required by the county assessor.

203 (ii) If the owner submits to the county assessor a land management plan for fallowed
 204 land that meets the requirements of Subsection (4)(c)(i), the county assessor may not require
 205 the owner to submit a new or additional land management plan for the same land within three
 206 years from the day on which the owner submitted the plan.

207 (d) Fallowed land is withdrawn from this part if:

208 (i) the county assessor determines that the land does not qualify under Subsection
 209 (4)(a);

210 (ii) the owner fails to ~~comply with the notice requirements of Subsection (4)(b);~~
 211 including, if applicable, failing to] ~~return~~ the fallowed land to active urban farming upon the