

AIRCRAFT PROPERTY TAX AMENDMENTS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne A. Harper

House Sponsor: _____

LONG TITLE

General Description:

This bill modifies provisions related to property tax assessment for aircrafts.

Highlighted Provisions:

This bill:

▶ excludes aircraft registered by the Department of Transportation from property tax assessment by the State Tax Commission;

▶ requires the Department of Transportation to register any aircraft operating in the state for a certain period each year ~~§~~→ **, with certain exceptions** ←~~§~~ ;

▶ requires the Department of Transportation to annually provide a list to the State Tax Commission identifying each aircraft subject to registration; and

▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

59-2-201, as last amended by Laws of Utah 2023, Chapter 471

72-10-109, as last amended by Laws of Utah 2023, Chapter 216



121 adjustment, the commission shall make a fleet adjustment by reducing the aircraft pricing guide
 122 value of each aircraft in the fleet by .5% for each aircraft over three aircraft up to a maximum
 123 20% reduction.

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

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

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

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

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

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

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

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

139 Section 2. Section **72-10-109** is amended to read:

140 **72-10-109. Certificate of registration of aircraft required -- Exceptions.**

141 (1) (a) A person may not operate, pilot, or navigate, or cause or authorize to be
 142 operated, piloted, or navigated within this state any civil aircraft [~~domiciled~~] operating in this
 143 state for 181 or more days within a calendar year unless the aircraft has a current certificate of
 144 registration issued by the department.

145 (b) The restriction described in Subsection (1)(a) does not apply to ~~§~~ :

145a (i) ~~§~~ aircraft licensed by

146 a foreign country with which the United States has a reciprocal agreement covering the
 147 operations of the registered aircraft ~~§~~ [or to] ;

147a (ii) ~~§~~ a non-passenger-carrying flight solely for inspection

148 or test purposes authorized by the Federal Aviation Administration to be made without the
 149 certificate of registration ~~§~~ [:] ; or

149a (iii) aircraft operating under 14 CFR 121 with a maximum takeoff weight exceeding
 149b 60,000 pounds. ~~§~~

150 (2) On or before December 31 of each calendar year, the department shall provide a list
 151 to the State Tax Commission identifying each aircraft subject to the state registration