

TAX COMMISSION AUTHORITY AMENDMENTS

2020 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Deidre M. Henderson

House Sponsor: Robert M. Spendlove

LONG TITLE**Committee Note:**

The Revenue and Taxation Interim Committee recommended this bill.

Legislative Vote: 14 voting for 0 voting against 5 absent

General Description:

This bill modifies the authority of the State Tax Commission.

Highlighted Provisions:

This bill:

- ▶ repeals the State Tax Commission's authority to adjust or defer taxes levied against property assessed by the State Tax Commission;

- ▶ allows a county legislative body to adjust or defer taxes levied by the State Tax Commission against property located in the county under certain circumstances; and

- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides retrospective operation.

Utah Code Sections Affected:

AMENDS:

59-2-1347, as last amended by Laws of Utah 2007, Chapter 306

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

Section 1. Section **59-2-1347** is amended to read:

59-2-1347. Redemption -- Adjustment or deferral of taxes -- Interest.

(1) (a) If ~~[any]~~ an interested person applies to ~~[the]~~ a county legislative body for an adjustment or deferral of taxes levied against property ~~[assessed by the county assessor;]~~ located in the county, the county legislative body may accept a sum less than the full amount due ~~[may be accepted]~~, or defer the full amount ~~[may be deferred]~~ due, where, in the judgment of the county legislative body, the best human interests and the interests of the state and the county are served.

(b) Nothing in this section prohibits ~~[the]~~ a county legislative body from granting a retroactive ~~[adjustments or deferrals]~~ adjustment or deferral if the criteria established in this ~~[Subsection (1)]~~ section are met.

~~[(b) If any interested person applies to the commission for an adjustment of taxes levied against property assessed by the commission, a sum less than the full amount due may be accepted, where, in the judgment of the commission, the best human interests and the interests of the state and the county are served.]~~

(2) (a) ~~[If an application is made, the applicant shall submit]~~ In an application for an adjustment or deferral described in Subsection (1), the applicant shall include a statement[;] setting forth the following:

~~[(a)]~~ (i) a description of the property;

~~[(b)]~~ (ii) the value of the property for the current year;

~~[(c)]~~ (iii) the amount of delinquent taxes, interest, and penalties;

~~[(d)]~~ (iv) (A) for an adjustment, the amount proposed to be paid [in settlement or]; or (B) for a deferral, the amount proposed to be deferred; and

~~[(e)]~~ (v) any other information required by the county legislative body.

(b) The commission shall prepare blank forms for an application for an adjustment or deferral under this section.

~~[(3) (a) Blank forms for the application shall be prepared by the commission.]~~

~~[(b)]~~ (3) (a) A [deferral may not be granted] county legislative body may not grant a deferral without the written consent of the holder of any mortgage or trust deed outstanding on the property.

59 ~~[(e)]~~ (b) ~~[The]~~ Any amount deferred shall be recorded as a lien on the property and
60 shall bear interest at a rate equal to the lesser of:

61 (i) 6%; or

62 (ii) the federal funds rate target:

63 (A) established by the Federal Open Markets Committee; and

64 (B) that exists on the January 1 immediately preceding the day on which the taxes are
65 deferred.

66 ~~[(d)]~~ (c) The amount deferred together with accrued interest ~~[shall be]~~ is due and
67 payable when the property is sold or otherwise conveyed.

68 (4) Within 10 days after ~~[the consummation of any]~~ the day on which a county
69 legislative body grants an adjustment or deferral, the county legislative body ~~[or the~~
70 ~~commission, as the case may be,]~~ shall cause the adjustment or deferral to be posted in the
71 county where the property involved is located. The publication shall contain:

72 (a) the name of the applicant;

73 (b) the parcel, serial, or account number of the property;

74 (c) the value of the property for the current year;

75 (d) the sum of the delinquent taxes, interest, and penalty due; and

76 (e) the adjusted amount paid or deferred.

77 (5) ~~[A]~~ No later than the last day of each calendar month, each county legislative body
78 shall send to the commission a record of [the] any action taken by the county legislative body
79 ~~[shall be sent to the commission at the end of each month for all action taken]~~ under this
80 section during the preceding calendar month. ~~[A record of the action taken by the commission~~
81 ~~shall be sent to the county legislative body of the counties affected by the action.]~~

82 Section 2. **Retrospective operation.**

83 This bill has retrospective operation for a taxable year beginning on or after January 1,
84 2020.