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PROPERTY TAX PENALTIES AMENDMENTS

2021 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Matthew H. Gwynn

Senate Sponsor: ____________

LONG TITLE

General Description:

This bill modifies the penalty related to delinquent personal property information.

Highlighted Provisions:

This bill:

- reduces the penalty for failure to file a timely signed or completed statement or to appear and testify as requested regarding personal property;
- implements a lower penalty if the failure is remedied within a specified time period; and
- makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

59-2-307, as last amended by Laws of Utah 2011, Chapter 163

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

Section 1. Section **59-2-307** is amended to read:

59-2-307. Failure or refusal by taxpayer to file signed statement -- Penalty --

H.B. 97

Assessor to estimate value -- Reporting information to other counties.

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

(b) The penalty described in Subsection (1)(a) is equal to 1% of the estimated tax due, but not less than $10, if:

(i) the signed statement was due on or before May 15, and the person remedies the failure described in Subsection (1)(a) on or before July 15; or

(ii) the signed statement was due after May 15, and the person remedies the failure described in Subsection (1)(a) within 60 days after the date described in Subsection (2)(b)(ii).

(c) The penalty described in Subsection (1)(a) is equal to 2.5% of the estimated tax due, but not less than $10, if:

(i) the signed statement was due on or before May 15, and the person does not remedy the failure described in Subsection (1)(a) on or before July 15; or

(ii) the signed statement was due after May 15, and the person does not remedy the failure described in Subsection (1)(a) within 60 days after the date described in Subsection (2)(b)(ii).

(d) A person is subject to a penalty under this Subsection (1) only once per year in the county where the person fails to:

(i) file the signed statement required by Section 59-2-306;

(ii) file the signed statement with respect to name and place of residence;

(iii) appear and testify when requested by the assessor; or

(iv) do a combination of the requirements described in Subsections (1)(d)(i) through (iii).

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

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

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

(2) (a) [~~The~~] An assessor, a county, a county board of equalization, or the commission may not waive or reduce a penalty imposed by Subsection (1)(a) [~~may not be waived or reduced by the assessor, county, county Board of Equalization, or commission~~] except pursuant to a procedure for the review and approval of reductions and waivers adopted by county ordinance[~~;~~] or by administrative rule adopted in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

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

(b) (i) Except as provided in Subsection (2)(b)(ii), an assessor shall impose a penalty under Subsection (1)(a) on or after May 16 of the year that the county assessor requested the statement described in Section 59-2-306.

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

(A) on or after March 16; or

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

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

(i) the assessor shall:

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

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

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

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

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

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

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

Section 2. **Effective date.**

This bill takes effect on January 1, 2022.