

PROPERTY TAX NOTICE AMENDMENTS

2020 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Steve Eliason

Senate Sponsor: Curtis S. Bramble

LONG TITLE

General Description:

This bill modifies provisions related to certain tax notices.

Highlighted Provisions:

This bill:

- ▶ allows a person entitled to receive information or notice related to a property tax or privilege tax to designate an additional or alternative person to receive the information or notice;
- ▶ provides procedures to designate a person and to revoke a designation; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

59-4-101, as last amended by Laws of Utah 2016, Chapter 366

ENACTS:

59-2-110, Utah Code Annotated 1953

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

Section 1. Section **59-2-110** is enacted to read:

59-2-110. Designation of person to receive notice.

(1) (a) Except as provided in Subsection (1)(b), if a governmental entity is required under this chapter to send information or notice to a person, the governmental entity shall send the information or notice to:

(i) the person required under the applicable provision of this chapter; and
(ii) each person designated in accordance with Subsection (2) by the person described in Subsection (1)(a)(i).

(b) If a governmental entity is required under Section [59-2-919](#), [59-2-919.1](#), or [59-2-1317](#) to send information or notice to a person, the governmental entity shall send the information or notice to:

(i) the person required under the applicable section; or
(ii) one person designated in accordance with Subsection (2) by the person described in Subsection (1)(b)(i).

(2) (a) A person to whom a governmental entity is required under this chapter to send information or notice may designate a person to receive the information or notice in accordance with Subsection (1).

(b) To make a designation described in Subsection (2)(a), the person shall submit a written request to the governmental entity on a form prescribed by the commission.

(3) A person who makes a designation described in Subsection (2) may revoke the designation by submitting a written request to the governmental entity on a form prescribed by the commission.

Section 2. Section **59-4-101** is amended to read:

59-4-101. Tax basis -- Exceptions -- Assessment and collection -- Designation of person to receive notice.

(1) (a) Except as provided in Subsections (1)(b), (1)(c), and (3), a tax is imposed on the possession or other beneficial use enjoyed by any person of any real or personal property that is exempt for any reason from taxation, if that property is used in connection with a business conducted for profit.

(b) Any interest remaining in the state in state lands after subtracting amounts paid or

58 due in part payment of the purchase price as provided in Subsection 59-2-1103(2)(b)(i) under a
59 contract of sale is subject to taxation under this chapter regardless of whether the property is
60 used in connection with a business conducted for profit.

61 (c) The tax imposed under Subsection (1)(a) does not apply to property exempt from
62 taxation under Section 59-2-1114.

63 (2) (a) The tax imposed under this chapter is the same amount that the ad valorem
64 property tax would be if the possessor or user were the owner of the property.

65 (b) The amount of any payments that are made in lieu of taxes is credited against the
66 tax imposed on the beneficial use of property owned by the federal government.

67 (3) A tax is not imposed under this chapter on the following:

68 (a) the use of property that is a concession in, or relative to, the use of a public airport,
69 park, fairground, or similar property that is available as a matter of right to the use of the
70 general public;

71 (b) the use or possession of property by a religious, educational, or charitable
72 organization;

73 (c) the use or possession of property if the revenue generated by the possessor or user
74 of the property through its possession or use of the property inures only to the benefit of a
75 religious, educational, or charitable organization and not to the benefit of any other person;

76 (d) the possession or other beneficial use of public land occupied under the terms of an
77 agricultural lease or permit issued by the United States or this state;

78 (e) the use or possession of any lease, permit, or easement unless the lease, permit, or
79 easement entitles the lessee or permittee to exclusive possession of the premises to which the
80 lease, permit, or easement relates;

81 (f) the use or possession of property by a public agency, as defined in Section
82 11-13-103, to the extent that the ownership interest of the public agency in that property is
83 subject to a fee in lieu of ad valorem property tax under Section 11-13-302; or

84 (g) the possession or beneficial use of public property as a tollway by a private entity
85 through a tollway development agreement as defined in Section 72-6-202.

(4) For purposes of Subsection (3)(e):

(a) every lessee, permittee, or other holder of a right to remove or extract the mineral covered by the holder's lease, right permit, or easement, except from brines of the Great Salt Lake, is considered to be in possession of the premises, regardless of whether another party has a similar right to remove or extract another mineral from the same property; and

(b) a lessee, permittee, or holder of an easement still has exclusive possession of the premises if the owner has the right to enter the premises, approve leasehold improvements, or inspect the premises.

(5) A tax imposed under this chapter is assessed to the possessors or users of the property on the same forms, and collected and distributed at the same time and in the same manner, as taxes assessed owners, possessors, or other claimants of property that is subject to ad valorem property taxation. The tax is not a lien against the property, and no tax-exempt property may be attached, encumbered, sold, or otherwise affected for the collection of the tax.

(6) (a) (i) Except as provided in Subsection (6)(a)(ii), if a governmental entity is required under this chapter to send information or notice to a person, the governmental entity shall send the information or notice to:

(A) the person required under the applicable provision of this chapter; and

(B) each person designated in accordance with Subsection (6)(b) by the person described in Subsection (6)(a)(i)(A).

(ii) If a governmental entity is required under Section [59-2-919.1](#) or [59-2-1317](#) to send information or notice to a person, the governmental entity shall send the information or notice to:

(A) the person required under the applicable section; or

(B) one person designated in accordance with Subsection (6)(b) by the person described in Subsection (6)(a)(ii)(A).

(b) (i) A person to whom a governmental entity is required under this chapter to send information or notice may designate a person to receive the information or notice in accordance with Subsection (6)(a).

114 (ii) To make a designation described in Subsection (6)(b)(i), the person shall submit a
115 written request to the governmental entity on a form prescribed by the commission.

116 (c) A person who makes a designation described in Subsection (6)(b) may revoke the
117 designation by submitting a written request to the governmental entity on a form prescribed by
118 the commission.

119 ~~[(6)]~~ (7) Sections 59-2-301.1 through 59-2-301.7 apply for purposes of assessing a tax
120 under this chapter.