

PROPERTY VALUATION AMENDMENTS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Norman K Thurston

Senate Sponsor: Daniel McCay

LONG TITLE

General Description:

This bill modifies provisions related to property tax valuation.

Highlighted Provisions:

This bill:

- modifies the valuation process for property of a telecommunications provider;
- authorizes the use of Multicounty Appraisal Trust funds for hiring professional appraisers to provide property valuation services within rural counties;
- establishes qualifications for professional appraisers hired by the Multicounty Appraisal Trust for property valuation services; and
- makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides retrospective operation.

Utah Code Sections Affected:

AMENDS:

59-2-306, as last amended by Laws of Utah 2022, Chapters 239, 293

59-2-306.5, as enacted by Laws of Utah 2022, Chapter 239

59-2-1005, as last amended by Laws of Utah 2022, Chapter 239

59-2-1606, as last amended by Laws of Utah 2020, Chapter 447

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

Section 1. Section **59-2-306** is amended to read:

59-2-306 . Statements by taxpayers -- Power of assessors respecting statements --

Reporting information to other counties.

- (1) (a) Except as provided in Subsection (1)(c), the county assessor may request a signed statement from any person setting forth all the real and personal property assessable by the assessor that the person owns, possesses, manages, or has under the person's control at 12 noon on January 1.
- (b) A request under Subsection (1)(a) shall include a notice of the procedure under Section 59-2-1005 for appealing the value of the personal property.
- (c) A telecommunications service provider shall file a signed statement setting forth the telecommunications service provider's[.]
[~~(i)~~ real property in accordance with this section; and]
[~~(ii)~~] personal property in accordance with Section 59-2-306.5.
- (d) A telecommunications service provider shall claim an exemption for personal property in accordance with Section 59-2-1115.
- (2) (a) Except as provided in Subsection (2)(b) or (c), a person shall file a signed statement described in Subsection (1) on or before May 15 of the year the county assessor requests the statement described in Subsection (1).
- (b) For a county of the first class, a person shall file the signed statement described in Subsection (1) on or before the later of:
- (i) 60 days after the day on which the county assessor requests the statement; or
- (ii) May 15 of the year the county assessor requests the statement described in Subsection (1) if, by resolution, the county legislative body of that county adopts the deadline described in Subsection (2)(a).
- (c) If a county assessor requests a signed statement described in Subsection (1) on or after March 16, the person shall file the signed statement within 60 days after the day on which the county assessor requests the signed statement.
- (3) The signed statement shall include the following:
- (a) all property belonging to, claimed by, or in the possession, control, or management of the person, any firm of which the person is a member, or any corporation of which the person is president, secretary, cashier, or managing agent;
- (b) the county in which the property is located or in which the property is taxable; and, if taxable in the county in which the signed statement was made, also the city, town, school district, road district, or other taxing district in which the property is located or taxable;
- (c) all lands in parcels or subdivisions not exceeding 640 acres each, the sections and

fractional sections of all tracts of land containing more than 640 acres that have been sectionized by the United States government, and the improvements on those lands; and

(d) for a person who owns taxable tangible personal property as defined in Section 59-2-1115, the person's NAICS code, as classified under the current North American Industry Classification System of the federal Executive Office of the President, Office of Management and Budget.

(4) Every county assessor may subpoena and examine any person in any county in relation to any signed statement but may not require that person to appear in any county other than the county in which the subpoena is served.

(5) (a) Except as provided in Subsection (5)(b), if the signed statement discloses property in any other county, the county assessor shall file the signed statement and send a copy to the county assessor of each county in which the property is located.

(b) If the signed statement discloses personal property of a telecommunications service provider, the county assessor shall notify the telecommunications service provider of the requirement to file a signed statement in accordance with Section 59-2-306.5.

Section 2. Section **59-2-306.5** is amended to read:

59-2-306.5 . Valuation of personal property of telecommunications service provider -- Reporting information to counties.

(1) As used in this section, "Multicounty Appraisal Trust" means the same as that term is defined in Section 59-2-1601.

(2) A telecommunications service provider shall provide to the Multicounty Appraisal Trust a signed statement setting forth all of the personal property that the telecommunications service provider owns, possesses, manages, or has under the telecommunications service provider's control in the state.

(3) The signed statement~~[-shall]~~:

(a) may be requested by the Multicounty Appraisal Trust:

(i) each year; and

(ii) if requested, on or before January 31;

~~[(a)]~~ (b) shall itemize each item of personal property that the telecommunications service provider owns, possesses, manages, or has under the telecommunications service provider's control:

(i) by county and by tax area; and

(ii) for the tax year that began on January 1; and

96 ~~[(b)]~~ (c) shall be submitted:

97 (i) annually on or before ~~[May 15]~~ March 31; and

98 (ii) electronically in a form approved by the commission.

99 (4) (a) ~~[The]~~ Except where an estimate is made in accordance with Subsection 59-2-307

100 (3)(b)(i)(C), the Multicounty Appraisal Trust shall value each item of personal
101 property of a telecommunications service provider according to the personal property
102 valuation guides and schedules established by the commission.

103 **(b) (i) Between March 31 and May 31 of each year:**

104 **(A) the Multicounty Appraisal Trust may communicate with a**
105 telecommunications service provider to address any inconsistency or error in
106 the filed signed statement; and

107 **(B) the telecommunications service provider may file an amended signed**
108 statement with the Multicounty Appraisal Trust regarding the items agreed to
109 by the Multicounty Appraisal Trust and the telecommunications service
110 provider.

111 **(ii) The communication described in this Subsection (4)(b) is in addition to the audit**
112 authority provided by this chapter.

113 **(c) On or before May 31 of each year, the Multicounty Appraisal Trust shall:**

114 **(i) forward to each county information about the total value of personal property of**
115 each telecommunications service provider within the county, by tax area,
116 including a listing of personal property that is exempt; and

117 **(ii) issue a tax notice to each telecommunications service provider listing the tax due**
118 to each county, by tax area.

119 **(d) On or before June 30 of each year, a telecommunications service provider shall pay**
120 to the county the tax due on the tax notice.

121 ~~[(b)]~~ (e) A telecommunications service provider may appeal the valuation of personal
122 property ~~[in accordance with Section 59-2-1005]~~ to the county on or before the later
123 of:

124 **(i) July 30 of the year the Multicounty Appraisal Trust requests a statement described**
125 in Subsection (3)(a); or

126 **(ii) 60 days after mailing of a tax notice.**

127 (5) The Multicounty Appraisal Trust shall forward to each county information about the
128 total value of personal property of each telecommunications service provider within the
129 county.

- (6) If a signed statement filed in accordance with this section discloses real property, the Multicounty Appraisal Trust shall send a copy of the signed statement to the county in which the property is located.

Section 3. Section **59-2-1005** is amended to read:

59-2-1005 . Procedures for appeal of personal property valuation -- Time for appeal -- Hearing -- Decision -- Appeal to commission.

- (1) (a) [A] Except as provided in Section 59-2-306.5, a taxpayer owning personal property assessed by a county assessor under Section 59-2-301 may make an appeal relating to the value of the personal property by filing an application with the county legislative body no later than:
- (i) the expiration of the time allowed under Section 59-2-306 for filing a signed statement, if the county assessor requests a signed statement under Section 59-2-306~~[or the expiration of the time allowed under Section 59-2-306.5 if the taxpayer is a telecommunications service provider]~~; or
 - (ii) 60 days after the mailing of the tax notice, for each other taxpayer.
- (b) A county legislative body shall:
- (i) after giving reasonable notice, hear an appeal filed under Subsection (1)(a); and
 - (ii) render a written decision on the appeal within 60 days after receiving the appeal.
- (c) If the taxpayer is dissatisfied with a county legislative body decision under Subsection (1)(b), the taxpayer may file an appeal with the commission in accordance with Section 59-2-1006.
- (2) A taxpayer owning personal property subject to a fee in lieu of tax or a uniform tax under Article XIII, Section 2 of the Utah Constitution that is based on the value of the property may appeal the basis of the value by filing an appeal with the commission within 30 days after the mailing of the tax notice.

Section 4. Section **59-2-1606** is amended to read:

59-2-1606 . Statewide property tax system funding for counties -- Disbursements to the Multicounty Appraisal Trust -- Use of funds.

- (1) The funds deposited into the Multicounty Appraisal Trust in accordance with Section 59-2-1602 shall be used to provide funding for a statewide property tax system that will promote:
- (a) the accurate valuation of property;
 - (b) the establishment and maintenance of uniform assessment levels among counties within the state;

(c) efficient administration of the property tax system, including the costs of assessment, collection, and distribution of property taxes; and

(d) the uniform filing of a signed statement a county assessor requests under Section 59-2-306, including implementation of a statewide electronic filing system.

(2) The trustee of the Multicounty Appraisal Trust shall:

(a) determine which projects to fund; and

(b) oversee the administration of a statewide property tax system.

(3) (a) Subject to Subsection (3)(b), the trustee of the Multicounty Appraisal Trust may, in order to promote the objectives described in Subsection (1), use funds deposited into the Multicounty Appraisal Trust to hire one or more professional appraisers to provide property valuation services within a county of the third, fourth, fifth, or sixth class.

(b) A professional appraiser hired to provide property valuation services under this Subsection (3) shall:

(i) hold an appraiser's certificate or license from the Division of Real Estate in accordance with Title 61, Chapter 2g, Real Estate Appraiser Licensing and Certification Act; and

(ii) be approved by:

(A) the commission; and

(B) an association representing two or more counties in the state.

Section 5. **Effective date.**

This bill takes effect on May 1, 2024.

Section 6. **Retrospective operation.**

(1) The following sections have retrospective operation to January 1, 2024:

(a) Section 59-2-306;

(b) Section 59-2-306.5; and

(c) Section 59-2-1005.