

Clinton D. Okerlund proposes the following substitute bill:

Vehicle Assessment Amendments

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Clinton D. Okerlund

Senate Sponsor:

LONG TITLE

General Description:

This bill addresses vehicle weights relating to vehicle registration and uniform fees in lieu of property tax.

Highlighted Provisions:

This bill:

- modifies the weight at which a motor vehicle qualifies for a statewide uniform fee in lieu of the property tax;
- modifies weight limits for vehicle registrations; and
- defines terms.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

13-20-2, as last amended by Laws of Utah 2013, Chapter 124

41-1a-215.5, as last amended by Laws of Utah 2012, Chapter 397

41-1a-229, as last amended by Laws of Utah 2015, Chapter 412

41-1a-301, as last amended by Laws of Utah 2024, Chapter 251

41-1a-1206, as last amended by Laws of Utah 2024, Chapter 483

41-1a-1207, as last amended by Laws of Utah 1992, Chapter 54 and renumbered and amended by Laws of Utah 1992, Chapter 1

41-1a-1219, as enacted by Laws of Utah 1996, Chapter 170

41-3-407, as last amended by Laws of Utah 1998, Chapters 222, 339

41-6a-1642, as last amended by Laws of Utah 2024, Chapters 459, 483

41-6a-1644, as last amended by Laws of Utah 2012, Chapter 360

30 **59-2-102**, as last amended by Laws of Utah 2024, Chapter 53
31 **59-2-103**, as last amended by Laws of Utah 2024, Chapter 253
32 **59-2-103.5**, as last amended by Laws of Utah 2024, Chapter 253
33 **59-2-405**, as last amended by Laws of Utah 2008, Chapter 210
34 **59-2-405.1**, as last amended by Laws of Utah 2012, Chapter 397
35 **59-2-801**, as last amended by Laws of Utah 2024, Chapter 269
36 **59-2-804**, as last amended by Laws of Utah 2020, Chapter 38
37 **59-7-302**, as last amended by Laws of Utah 2022, Chapter 228

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

40 Section 1. Section **13-20-2** is amended to read:

41 **13-20-2 . Definitions.**

42 As used in this chapter:

- 43 (1) "Consumer" means an individual who enters into an agreement or contract for the
44 transfer, lease, purchase of a new motor vehicle other than for purposes of resale, or
45 sublease during the duration of the period defined under Section 13-20-5.
- 46 (2) "Manufacturer" means manufacturer, importer, distributor, or anyone who is named as
47 the warrantor on an express written warranty on a motor vehicle.
- 48 (3) "Motor home" means a self-propelled vehicular unit, primarily designed as a temporary
49 dwelling for travel, recreational, and vacation use.
- 50 (4)(a) "Motor vehicle" includes:
- 51 (i) a motor home, as defined in this section, but only the self-propelled vehicle and
52 chassis sold in this state;
- 53 (ii) a motor vehicle, as defined in Section 41-1a-102, sold in this state; and
- 54 (iii) a motorcycle, as defined in Section 41-1a-102, sold in this state if the motorcycle
55 is designed primarily for use and operation on paved highways.
- 56 (b) "Motor vehicle" does not include:
- 57 (i) those portions of a motor home designated, used, or maintained primarily as a
58 mobile dwelling, office, or commercial space;
- 59 (ii) a road tractor or truck tractor as defined in Section 41-1a-102;
- 60 (iii) a mobile home as defined in Section 41-1a-102;
- 61 (iv) any motor vehicle with a gross laden weight of over [~~12,000~~] 14,000 pounds,
62 except:
- 63 (A) a motor home as defined under Subsection (3); and

- (B) a farm tractor as defined in Section 41-1a-102;
- (v) a motorcycle, as defined in Section 41-1a-102, if the motorcycle is designed primarily for use or operation over unimproved terrain;
- (vi) an electric assisted bicycle as defined in Section 41-6a-102;
- (vii) a moped as defined in Section 41-6a-102;
- (viii) a motor assisted scooter as defined in Section 41-6a-102; or
- (ix) a motor-driven cycle as defined in Section 41-6a-102.
- (5) "Recreational vehicle trailer" means a travel trailer, camping trailer, or fifth wheel trailer.
- Section 2. Section **41-1a-215.5** is amended to read:
- 41-1a-215.5 . Six-month registration.**
- (1)(a) Subject to the requirements of this section, a person may register a motorcycle or motor vehicle of [~~12,000~~] 14,000 pounds or less gross laden weight for a six-month period that begins on the first day of the calendar month of registration and expires on the last day of the sixth month of registration.
- (b) If the last day of the registration period falls on a day in which the appropriate state or county offices are not open for business, the registration of the vehicle is extended to midnight of the next business day.
- (2) A registration under this section is subject to this chapter.
- (3) The option to register a motorcycle or motor vehicle under this section shall be available to a person when the division:
- (a) has implemented the division's GenTax system; and
- (b) at least 30 days before implementing the division's GenTax system as described in Subsection (3)(a), has provided notice in a conspicuous place on the division's website stating:
- (i) the date the commission will implement the GenTax system; and
- (ii) that, at the time the commission implements the GenTax system, the option to register a motorcycle or motor vehicle for a six-month registration period will be available.
- Section 3. Section **41-1a-229** is amended to read:
- 41-1a-229 . Display of gross laden weight.**
- (1) Each vehicle registered by gross laden weight and exceeding [~~12,000~~] 14,000 pounds of gross laden weight shall have the gross laden weight for which it is registered painted, stenciled, or shown by decal upon both the left and right sides of the vehicle, in a

conspicuous place, in letters of a reasonable size as determined by the commission.

(2) If vehicles are registered in combination, the gross laden weight for which the combination of vehicles is registered shall be displayed upon the power unit.

(3) An owner or operator of a vehicle or combination of vehicles may not display a gross laden weight other than that shown on the certificate of registration of the vehicle.

(4) A park model recreational vehicle is exempt from this section.

(5) A violation of this section is an infraction.

Section 4. Section **41-1a-301** is amended to read:

41-1a-301 . Apportioned registration and licensing of interstate vehicles.

(1) For purposes of this section, "registrant" means an owner or operator of one or more commercial vehicles operating in two or more jurisdictions applying for apportioned registration and licensing of a commercial vehicle.

(2)(a) An owner or operator of a fleet of commercial vehicles based in this state and operating in two or more jurisdictions may register commercial vehicles for operation under the International Registration Plan or the Uniform Vehicle Registration Proration and Reciprocity Agreement by filing an application with the division.

(b) The application shall include information that identifies the vehicle owner, the vehicle, the miles traveled in each jurisdiction, and other information pertinent to the registration of apportioned vehicles.

(c) The division may not grant apportioned registration for vehicles operated exclusively in this state.

(3)(a) If no operations were conducted during the preceding year, in computing fees due:

(i) the application shall contain a statement of the proposed operations; and

(ii) the division shall determine fees based on average per vehicle distance requirements under the International Registration Plan.

(b) At renewal, the registrant shall use the actual mileage from the preceding year in computing fees due each jurisdiction.

(4) The division shall determine the registration fee for apportioned vehicles as follows:

(a) divide the in-jurisdiction miles by the total miles generated during the preceding year;

(b) total the fees for each vehicle based on the fees prescribed in Section 41-1a-1206; and

(c) multiply the sum obtained under Subsection (4)(b) by the quotient obtained under Subsection (4)(a).

(5) The registrant may list trailers or semitrailers of apportioned fleets separately as "trailer fleets" on the application, with the fees paid according to the total distance those trailers

were towed in all jurisdictions during the preceding year mileage reporting period.

(6)(a)(i) When the registrant has paid the proper fees and cleared the property tax or in lieu fee under Section 41-1a-206 or 41-1a-207, the division shall issue a registration card and license plate for each unit listed on the application.

(ii) The owner or operator shall carry an original registration in each vehicle at all times.

(b) The owner or operator may carry original registration cards for trailers or semitrailers in the power unit.

(c)(i) In lieu of a permanent registration card or license plate, the division may issue one temporary permit authorizing operation of new or unlicensed vehicles until the permanent registration is completed.

(ii) Once a temporary permit is issued:

(A) neither the registrant nor the division may cancel the registration process; and

(B) the division shall complete registration and the registrant shall pay the fees and any property tax or in lieu fee due for the vehicle for which the permit was issued.

(iii) The division may not issue temporary permits for renewals.

(d)(i) The division shall issue one distinctive license plate for apportioned vehicles.

(ii) The owner or operator shall display the plate on the front of an apportioned truck tractor or power unit or on the rear of any other apportioned vehicle.

(iii)(A) The division shall issue distinctive decals or a distinctive license plate displaying the word "apportioned" or the abbreviation "APP" for each apportioned vehicle.

(B) A registrant of an apportioned vehicle is not required to display a registration decal.

(iv) At the request of a registrant of an apportioned vehicle, the division may issue a second license plate, for a total of two, to display on both the front and rear of the apportioned vehicle.

(e) The division shall charge a nonrefundable administrative fee, determined by the commission pursuant to Section 63J-1-504, for each temporary permit, registration, or both.

(7) Vehicles that are apportionally registered are fully registered for intrastate and interstate movements, providing the registrant has secured proper interstate and intrastate authority.

- (8)(a) The division shall register vehicles added to an apportioned fleet after the beginning of the registration year by applying the quotient under Subsection (4)(a) for the original application to the fees due for the remainder of the registration year.
- (b)(i) The owner shall maintain and submit complete annual mileage for each vehicle in each jurisdiction, showing all miles operated by the lessor and lessee.
- (ii) The fiscal mileage reporting period begins July 1, and continues through June 30 of the year immediately preceding the calendar year in which the registration year begins.
- (c)(i) An owner-operator, who is a lessor, may register the vehicle in the name of the owner-operator.
- (ii) The identification plates and registration card shall be the property of the lessor and may reflect both the owner-operator's name and that of the carrier as lessee.
- (iii) The division shall allocate the fees according to the operational records of the owner-operator.
- (d)(i) At the option of the lessor, the lessee may register a leased vehicle.
- (ii) If a lessee is the registrant of a leased vehicle, both the lessor's and lessee's name shall appear on the registration.
- (iii) The division shall allocate the fees according to the records of the carrier.
- (9)(a) When the division has accepted an application for apportioned registration, the registrant shall preserve the records on which the application is based for a period of three years after the close of the registration year.
- (b) Upon request for audit as to accuracy of computations, payments, and assessments for deficiencies, or allowances for credits, the registrant shall provide the records to the division.
- (c) The division may not make an assessment for deficiency or claim for credit for any period for which records are no longer required.
- (d) The division may assess interest in the amount prescribed by Section 59-1-402 from the date due until paid on deficiencies found due after audit.
- (e) Registrants with deficiencies are subject to the penalties under Section 59-1-401.
- (f) The division may enter into agreements with other International Registration Plan jurisdictions for joint audits.
- (10)(a) Except as provided in Subsection (10)(b), the division shall deposit all state fees collected under this section in the Transportation Fund.
- (b) The commission may use the following fees as a dedicated credit to cover the costs

of electronic credentialing as provided in Section 41-1a-303:

(i) \$5 of each temporary registration permit fee paid under Subsection (13)(a)(i) for a single unit; and

(ii) \$10 of each temporary registration permit fee paid under Subsection (13)(a)(ii) for multiple units.

(11) If registration is for less than a full year, the division shall assess fees for apportioned registration according to Section 41-1a-1207.

(a)(i) If the registrant is replacing a vehicle for one withdrawn from the fleet and the new vehicle is of the same weight category as the replaced vehicle, the registrant shall file a supplemental application.

(ii) If the registrant is replacing a vehicle for one withdrawn from the fleet and the new vehicle is heavier than the replaced vehicle, the division shall assess additional registration fees.

(iii) If the registrant is replacing a vehicle for one withdrawn from the fleet, the division shall issue a new registration card.

(b) If a vehicle is withdrawn from an apportioned fleet during the period for which it is registered, the registrant shall notify the division and surrender the registration card and license plate of the withdrawn vehicle.

(12)(a) An out-of-state carrier with an apportionally registered vehicle who has not presented a certificate of property tax or in lieu fee as required by Section 41-1a-206 or 41-1a-207, shall pay, at the time of registration, a proportional part of an equalized highway use tax computed as follows:

(i) Multiply the number of vehicles or combination vehicles registered in each weight class by the equivalent tax figure from the following tables:

Vehicle or Combination Registered Weight	Age of Vehicle	Equivalent Tax	
[12,000] <u>14,000</u> pounds or less	12 or more years		\$10
[12,000] <u>14,000</u> pounds or less	9 or more years but less than 12 years		\$50
[12,000] <u>14,000</u> pounds or less	6 or more years but less than 9 years		\$80
[12,000] <u>14,000</u> pounds or less	3 or more years but less than 6 years		\$110
[12,000] <u>14,000</u> pounds or less	Less than 3 years		\$150

230		Vehicle or Combination Registered Weight	Equivalent Tax
231		[12,001] <u>14,001</u> - 18,000 pounds	\$150
232		18,001 - 34,000 pounds	200
233		34,001 - 48,000 pounds	300
234		48,001 - 64,000 pounds	450
235		64,001 pounds and over	600

(ii) Multiply the equivalent tax value for the total fleet determined under Subsection (12)(a)(i) by the fraction computed under Subsection (4) for the apportioned fleet for the registration year.

(b) For registration described in Subsection (12)(a), the division shall assess fees as provided in Section 41-1a-1207.

(13)(a) Commercial vehicles meeting the registration requirements of another jurisdiction may, as an alternative to full or apportioned registration, secure a temporary registration permit for a period not to exceed 96 hours or until they leave the state, whichever is less, for a fee of:

(i) \$25 for a single unit; and

(ii) \$50 for multiple units.

(b) A state temporary permit or registration fee is not required from nonresident owners or operators of vehicles or combination of vehicles having a gross laden weight of 26,000 pounds or less for each single unit or combination.

(14) The division may not register a park model recreational vehicle under this section.

(15) A violation of this section is an infraction.

Section 5. Section **41-1a-1206** is amended to read:

41-1a-1206 . Registration fees -- Fees by gross laden weight.

(1) Except as provided in Subsections (2) and (3), at the time application is made for registration or renewal of registration of a vehicle or combination of vehicles under this chapter, a registration fee shall be paid to the division as follows:

(a) \$46.00 for each motorcycle;

(b) \$44 for each motor vehicle of [~~12,000~~] 14,000 pounds or less gross laden weight, excluding motorcycles;

(c) unless the semitrailer or trailer is exempt from registration under Section 41-1a-202 or is registered under Section 41-1a-301:

- (i) \$31 for each trailer or semitrailer over 750 pounds gross unladen weight; or
- (ii) \$28.50 for each commercial trailer or commercial semitrailer of 750 pounds or less gross unladen weight;
- (d)(i) \$53 for each farm truck over ~~[12,000]~~ 14,000 pounds, but not exceeding ~~[14,000]~~ 16,000 pounds gross laden weight; plus
- (ii) \$9 for each 2,000 pounds over ~~[14,000]~~ 16,000 pounds gross laden weight;
- (e)(i) \$69.50 for each motor vehicle or combination of motor vehicles, excluding farm trucks, over ~~[12,000]~~ 14,000 pounds, but not exceeding ~~[14,000]~~ 16,000 pounds gross laden weight; plus
- (ii) \$19 for each 2,000 pounds over ~~[14,000]~~ 16,000 pounds gross laden weight;
- (f)(i) \$69.50 for each park model recreational vehicle over ~~[12,000]~~ 14,000 pounds, but not exceeding ~~[14,000]~~ 16,000 pounds gross laden weight; plus
- (ii) \$19 for each 2,000 pounds over ~~[14,000]~~ 16,000 pounds gross laden weight;
- (g) \$45 for each vintage vehicle that has a model year of 1983 or newer;
- (h) in addition to the fee described in Subsection (1)(b):
- (i) an amount equal to the road usage charge cap described in Section 72-1-213.1 for:
- (A) each electric motor vehicle; and
- (B) Each motor vehicle not described in this Subsection (1)(h) that is fueled exclusively by a source other than motor fuel, diesel fuel, natural gas, or propane;
- (ii) \$21.75 for each hybrid electric motor vehicle; and
- (iii) \$56.50 for each plug-in hybrid electric motor vehicle;
- (i) in addition to the fee described in Subsection (1)(g), for a vintage vehicle that has a model year of 1983 or newer, 50 cents; and
- (j) \$28.50 for each roadable aircraft.
- (2)(a) At the time application is made for registration or renewal of registration of a vehicle under this chapter for a six-month registration period under Section 41-1a-215.5, a registration fee shall be paid to the division as follows:
- (i) \$34.50 for each motorcycle; and
- (ii) \$33.50 for each motor vehicle of ~~[12,000]~~ 14,000 pounds or less gross laden weight, excluding motorcycles.
- (b) In addition to the fee described in Subsection (2)(a)(ii), for registration or renewal of registration of a vehicle under this chapter for a six-month registration period under Section 41-1a-215.5 a registration fee shall be paid to the division as follows:

- 296 (i) an amount equal to the road usage charge cap described in Section 72-1-213.1 for:
297 (A) each electric motor vehicle; and
298 (B) each motor vehicle not described in this Subsection (2)(b) that is fueled
299 exclusively by a source other than motor fuel, diesel fuel, natural gas, or
300 propane;
- 301 (ii) \$16.50 for each hybrid electric motor vehicle; and
302 (iii) \$43.50 for each plug-in hybrid electric motor vehicle.
- 303 (3)(a) Beginning on January 1, 2024, at the time of registration:
- 304 (i) in addition to the amounts described in Subsections (1)(a), (1)(b), (1)(c)(i),
305 (1)(c)(ii), (1)(d)(i), (1)(e)(i), (1)(f)(i), (1)(g), (1)(h), (4)(a), and (7), the individual
306 shall also pay an additional \$7 as part of the registration fee; and
307 (ii) in addition to the amounts described in Subsection (2)(a), the individual shall also
308 pay an additional \$5 as part of the registration fee.
- 309 (b)(i) Beginning on January 1, 2019, the commission shall, on January 1, annually
310 adjust the registration fees described in Subsections (1)(a), (1)(b), (1)(c)(i),
311 (1)(c)(ii), (1)(d)(i), (1)(e)(i), (1)(f)(i), (1)(g), (1)(j), (2)(a), (3)(a), (4)(a), and (7),
312 by taking the registration fee rate for the previous year and adding an amount
313 equal to the greater of:
- 314 (A) an amount calculated by multiplying the registration fee of the previous year
315 by the actual percentage change during the previous fiscal year in the
316 Consumer Price Index; and
317 (B) 0.
- 318 (ii) Beginning on January 1, 2024, the commission shall, on January 1, annually
319 adjust the registration fees described in Subsections (1)(h)(ii) and (iii) and
320 (2)(b)(ii) and (iii) by taking the registration fee rate for the previous year and
321 adding an amount equal to the greater of:
- 322 (A) an amount calculated by multiplying the registration fee of the previous year
323 by the actual percentage change during the previous fiscal year in the
324 Consumer Price Index; and
325 (B) 0.
- 326 (c) The amounts calculated as described in Subsection (3)(b) shall be rounded up to the
327 nearest 25 cents.
- 328 (4)(a) The initial registration fee for a vintage vehicle that has a model year of 1982 or
329 older is \$40.

(b) A vintage vehicle that has a model year of 1982 or older is exempt from the renewal of registration fees under Subsection (1).

(c) A vehicle with a Purple Heart special group license plate issued on or before December 31, 2023, or issued in accordance with Part 16, Sponsored Special Group License Plates, is exempt from the registration fees under Subsection (1).

(d) A camper is exempt from the registration fees under Subsection (1).

(5) If a motor vehicle is operated in combination with a semitrailer or trailer, each motor vehicle shall register for the total gross laden weight of all units of the combination if the total gross laden weight of the combination exceeds ~~[12,000]~~ 14,000 pounds.

(6)(a) Registration fee categories under this section are based on the gross laden weight declared in the licensee's application for registration.

(b) Gross laden weight shall be computed in units of 2,000 pounds. A fractional part of 2,000 pounds is a full unit.

(7) The owner of a commercial trailer or commercial semitrailer may, as an alternative to registering under Subsection (1)(c), apply for and obtain a special registration and license plate for a fee of \$130.

(8) Except as provided in Section 41-6a-1642, a truck may not be registered as a farm truck unless:

(a) the truck meets the definition of a farm truck under Section 41-1a-102; and

(b)(i) the truck has a gross vehicle weight rating of more than ~~[12,000]~~ 14,000 pounds; or

(ii) the truck has a gross vehicle weight rating of ~~[12,000]~~ 14,000 pounds or less and the owner submits to the division a certificate of emissions inspection or a waiver in compliance with Section 41-6a-1642.

(9) A violation of Subsection (8) is an infraction that shall be punished by a fine of not less than \$200.

(10) Trucks used exclusively to pump cement, bore wells, or perform crane services with a crane lift capacity of five or more tons, are exempt from 50% of the amount of the fees required for those vehicles under this section.

Section 6. Section **41-1a-1207** is amended to read:

41-1a-1207 . Reduced fees for portion of year.

If a motor vehicle exceeding ~~[12,000]~~ 14,000 pounds gross laden weight is registered for less than a 12-month registration period, the registration fees are:

(1) for not more than three months, 30% of the regular registration fee;

(2) for in excess of three months but not more than six months, 60% of the regular registration fee;

(3) for in excess of six months and not more than nine months, 90% of the regular registration fee; and

(4) for anything in excess of nine months but not more than 12 months, the entire registration fee.

Section 7. Section **41-1a-1219** is amended to read:

41-1a-1219 . Motor carrier fee.

(1) At the time application is made for registration or renewal of registration of a motor vehicle or combination of motor vehicles over [~~12,000~~] 14,000 pounds gross laden weight, the applicant shall pay a motor carrier fee of \$6 for each motor vehicle or combination of motor vehicles.

(2) This fee is in addition to the registration fees under Subsections 41-1a-1206(1)(d) and (e).

Section 8. Section **41-3-407** is amended to read:

41-3-407 . Definitions.

As used in Sections 41-3-406 through 41-3-414:

(1) "Buyback vehicle" means a motor vehicle with an alleged nonconformity that has been replaced or repurchased by a manufacturer as the result of a court judgment, arbitration, or any voluntary agreement entered into between the manufacturer or its agent and a consumer.

(2) "Consumer" means an individual who has entered into an agreement or contract for the transfer, lease, or purchase of a new motor vehicle other than for the purposes of resale, or sublease, during the duration of the period defined under Section 13-20-5.

(3) "Manufacturer" means any manufacturer, importer, distributor, or anyone who is named as the warrantor on an express written warranty on a motor vehicle.

(4)(a) "Motor vehicle" includes:

(i) a motor home, as defined in Section 13-20-2, but only the self-propelled vehicle and chassis; and

(ii) a motor vehicle, as defined in Section 41-1a-102.

(b) "Motor vehicle" does not include:

(i) those portions of a motor home designated, used, or maintained primarily as a mobile dwelling, office, or commercial space;

(ii) farm tractor, motorcycle, road tractor, or truck tractor as defined in Section 41-1a-102;

(iii) mobile home as defined in Section 41-1a-102; or

(iv) any motor vehicle with a gross laden weight of over [~~12,000~~] 14,000 pounds, except a motor home as defined under Subsection (4)(a)(i).

(5) "Nonconforming vehicle" means a buyback vehicle that has been investigated and evaluated pursuant to Title 13, Chapter 20, New Motor Vehicle Warranties Act, or a similar law of another state or federal government.

(6)(a) "Nonconformity" means a defect, malfunction, or condition that fails to conform to the express warranty, or substantially impairs the use, safety, or value of a motor vehicle.

(b) "Nonconformity" does not include a defect, malfunction, or condition that results from an accident, abuse, neglect, modification, or alteration of a motor vehicle by a person other than the manufacturer, its authorized agent, or a dealer.

(7) "Seller" means any person selling, auctioning, leasing, or exchanging a motor vehicle.

(8) "Violation" means each failure to comply with the obligations imposed by Sections 41-3-406 through 41-3-413. In the case of multiple failures to comply resulting from a single transaction, each failure to comply is a separate violation.

Section 9. Section **41-6a-1642** is amended to read:

41-6a-1642 . Emissions inspection -- County program.

(1) The legislative body of each county required under federal law to utilize a motor vehicle emissions inspection and maintenance program or in which an emissions inspection and maintenance program is necessary to attain or maintain any national ambient air quality standard shall require:

(a) a certificate of emissions inspection, a waiver, or other evidence the motor vehicle is exempt from emissions inspection and maintenance program requirements be presented:

(i) as a condition of registration or renewal of registration; and

(ii) at other times as the county legislative body may require to enforce inspection requirements for individual motor vehicles, except that the county legislative body may not routinely require a certificate of emissions inspection, or waiver of the certificate, more often than required under Subsection (9); and

(b) compliance with this section for a motor vehicle registered or principally operated in the county and owned by or being used by a department, division, instrumentality, agency, or employee of:

(i) the federal government;

432 (ii) the state and any of its agencies; or

433 (iii) a political subdivision of the state, including school districts.

434 (2)(a) A vehicle owner subject to Subsection (1) shall obtain a motor vehicle emissions
435 inspection and maintenance program certificate of emissions inspection as described
436 in Subsection (1), but the program may not deny vehicle registration based solely on
437 the presence of a defeat device covered in the Volkswagen partial consent decrees or
438 a United States Environmental Protection Agency-approved vehicle modification in
439 the following vehicles:

440 (i) a 2.0-liter diesel engine motor vehicle in which its lifetime nitrogen oxide
441 emissions are mitigated in the state pursuant to a partial consent decree, including:

442 (A) Volkswagen Jetta, model years 2009, 2010, 2011, 2012, 2013, 2014, and 2015;

443 (B) Volkswagen Jetta Sportwagen, model years 2009, 2010, 2011, 2012, 2013,
444 and 2014;

445 (C) Volkswagen Golf, model years 2010, 2011, 2012, 2013, 2014, and 2015;

446 (D) Volkswagen Golf Sportwagen, model year 2015;

447 (E) Volkswagen Passat, model years 2012, 2013, 2014, and 2015;

448 (F) Volkswagen Beetle, model years 2013, 2014, and 2015;

449 (G) Volkswagen Beetle Convertible, model years 2013, 2014, and 2015; and

450 (H) Audi A3, model years 2010, 2011, 2012, 2013, and 2015; and

451 (ii) a 3.0-liter diesel engine motor vehicle in which its lifetime nitrogen oxide
452 emissions are mitigated in the state to a settlement, including:

453 (A) Volkswagen Touareg, model years 2009, 2010, 2011, 2012, 2013, 2014, 2015,
454 and 2016;

455 (B) Audi Q7, model years 2009, 2010, 2011, 2012, 2013, 2014, 2015, and 2016;

456 (C) Audi A6 Quattro, model years 2014, 2015, and 2016;

457 (D) Audi A7 Quattro, model years 2014, 2015, and 2016;

458 (E) Audi A8, model years 2014, 2015, and 2016;

459 (F) Audi A8L, model years 2014, 2015, and 2016;

460 (G) Audi Q5, model years 2014, 2015, and 2016; and

461 (H) Porsche Cayenne Diesel, model years 2013, 2014, 2015, and 2016.

462 (b)(i) An owner of a restored-modified vehicle subject to Subsection (1) shall obtain
463 a motor vehicle emissions inspection and maintenance program certificate of
464 emissions inspection as described in Subsection (1).

465 (ii) A county emissions program may not refuse to perform an emissions inspection

- 466 or indicate a failed emissions test of the vehicle based solely on a modification to
467 the engine or component of the motor vehicle if:
- 468 (A) the modification is not likely to result in the motor vehicle having increased
469 emissions relative to the emissions of the motor vehicle before the
470 modification; and
- 471 (B) the motor vehicle modification is a change to an engine that is newer than the
472 engine with which the motor vehicle was originally equipped, or the engine
473 includes technology that increases the facility of the administration of an
474 emissions test, such as an on-board diagnostics system.
- 475 (iii) The first time an owner seeks to obtain an emissions inspection as a prerequisite
476 to registration of a restored-modified vehicle:
- 477 (A) the owner shall present the signed statement described in Subsection
478 41-1a-226(4); and
- 479 (B) the county emissions program shall perform the emissions test.
- 480 (iv) If a motor vehicle is registered as a restored-modified vehicle and the registration
481 certificate is notated as described in Subsection 41-1a-226(4), a county emissions
482 program may not refuse to perform an emissions test based solely on the
483 restored-modified status of the motor vehicle.
- 484 (3)(a) The legislative body of a county identified in Subsection (1), in consultation with
485 the Air Quality Board created under Section 19-1-106, shall make regulations or
486 ordinances regarding:
- 487 (i) emissions standards;
- 488 (ii) test procedures;
- 489 (iii) inspections stations;
- 490 (iv) repair requirements and dollar limits for correction of deficiencies; and
- 491 (v) certificates of emissions inspections.
- 492 (b) In accordance with Subsection (3)(a), a county legislative body:
- 493 (i) shall make regulations or ordinances to attain or maintain ambient air quality
494 standards in the county, consistent with the state implementation plan and federal
495 requirements;
- 496 (ii) may allow for a phase-in of the program by geographical area; and
- 497 (iii) shall comply with the analyzer design and certification requirements contained in
498 the state implementation plan prepared under Title 19, Chapter 2, Air
499 Conservation Act.

- (c) The county legislative body and the Air Quality Board shall give preference to an inspection and maintenance program that:
- (i) is decentralized, to the extent the decentralized program will attain and maintain ambient air quality standards and meet federal requirements;
 - (ii) is the most cost effective means to achieve and maintain the maximum benefit with regard to ambient air quality standards and to meet federal air quality requirements as related to vehicle emissions; and
 - (iii) provides a reasonable phase-out period for replacement of air pollution emission testing equipment made obsolete by the program.

- (d) The provisions of Subsection (3)(c)(iii) apply only to the extent the phase-out:
- (i) may be accomplished in accordance with applicable federal requirements; and
 - (ii) does not otherwise interfere with the attainment and maintenance of ambient air quality standards.

- (4) The following vehicles are exempt from an emissions inspection program and the provisions of this section:

- (a) an implement of husbandry as defined in Section 41-1a-102;
- (b) a motor vehicle that:
 - (i) meets the definition of a farm truck under Section 41-1a-102; and
 - (ii) has a gross vehicle weight rating of [~~12,001~~] 14,001 pounds or more;
- (c) a vintage vehicle as defined in Section 41-21-1:
 - (i) if the vintage vehicle has a model year of 1982 or older; or
 - (ii) for a vintage vehicle that has a model year of 1983 or newer, if the owner provides proof of vehicle insurance that is a type specific to a vehicle collector;
- (d) a custom vehicle as defined in Section 41-6a-1507;
- (e) a vehicle registered as a novel vehicle under Section 41-27-201;
- (f) to the extent allowed under the current federally approved state implementation plan, in accordance with the federal Clean Air Act, 42 U.S.C. Sec. 7401, et seq., a motor vehicle that is less than two years old on January 1 based on the age of the vehicle as determined by the model year identified by the manufacturer;
- (g) a pickup truck, as defined in Section 41-1a-102, with a gross vehicle weight rating of [~~12,000~~] 14,000 pounds or less, if the registered owner of the pickup truck provides a signed statement to the legislative body stating the truck is used:
 - (i) by the owner or operator of a farm located on property that qualifies as land in agricultural use under Sections 59-2-502 and 59-2-503; and

(ii) exclusively for the following purposes in operating the farm:

(A) for the transportation of farm products, including livestock and its products, poultry and its products, floricultural and horticultural products; and

(B) in the transportation of farm supplies, including tile, fence, and every other thing or commodity used in agricultural, floricultural, horticultural, livestock, and poultry production and maintenance;

(h) a motorcycle as defined in Section 41-1a-102;

(i) an electric motor vehicle as defined in Section 41-1a-102;

(j) a motor vehicle with a model year of 1967 or older; and

(k) a roadable aircraft as defined in Section 72-10-102.

(5) The county shall issue to the registered owner who signs and submits a signed statement under Subsection (4)(g) a certificate of exemption from emissions inspection requirements for purposes of registering the exempt vehicle.

(6) A legislative body of a county described in Subsection (1) may exempt from an emissions inspection program a diesel-powered motor vehicle with a:

(a) gross vehicle weight rating of more than [~~14,000~~] 16,000 pounds; or

(b) model year of 1997 or older.

(7) The legislative body of a county required under federal law to utilize a motor vehicle emissions inspection program shall require:

(a) a computerized emissions inspection for a diesel-powered motor vehicle that has:

(i) a model year of 2007 or newer;

(ii) a gross vehicle weight rating of [~~14,000~~] 16,000 pounds or less; and

(iii) a model year that is five years old or older; and

(b) a visual inspection of emissions equipment for a diesel-powered motor vehicle:

(i) with a gross vehicle weight rating of [~~14,000~~] 16,000 pounds or less;

(ii) that has a model year of 1998 or newer; and

(iii) that has a model year that is five years old or older.

(8)(a) Subject to Subsection (8)(c), the legislative body of each county required under federal law to utilize a motor vehicle emissions inspection and maintenance program or in which an emissions inspection and maintenance program is necessary to attain or maintain any national ambient air quality standard may require each college or university located in a county subject to this section to require its students and employees who park a motor vehicle not registered in a county subject to this section to provide proof of compliance with an emissions inspection accepted by the county

legislative body if the motor vehicle is parked on the college or university campus or property.

(b) College or university parking areas that are metered or for which payment is required per use are not subject to the requirements of this Subsection (8).

(c) The legislative body of a county shall make the reasons for implementing the provisions of this Subsection (8) part of the record at the time that the county legislative body takes its official action to implement the provisions of this Subsection (8).

(9)(a) An emissions inspection station shall issue a certificate of emissions inspection for each motor vehicle that meets the inspection and maintenance program requirements established in regulations or ordinances made under Subsection (3).

(b) The frequency of the emissions inspection shall be determined based on the age of the vehicle as determined by model year and shall be required annually subject to the provisions of Subsection (9)(c).

(c)(i) To the extent allowed under the current federally approved state implementation plan, in accordance with the federal Clean Air Act, 42 U.S.C. Sec. 7401 et seq., the legislative body of a county identified in Subsection (1) shall only require the emissions inspection every two years for each vehicle.

(ii) The provisions of Subsection (9)(c)(i) apply only to a vehicle that is less than six years old on January 1.

(iii) For a county required to implement a new vehicle emissions inspection and maintenance program on or after December 1, 2012, under Subsection (1), but for which no current federally approved state implementation plan exists, a vehicle shall be tested at a frequency determined by the county legislative body, in consultation with the Air Quality Board created under Section 19-1-106, that is necessary to comply with federal law or attain or maintain any national ambient air quality standard.

(iv) If a county legislative body establishes or changes the frequency of a vehicle emissions inspection and maintenance program under Subsection (9)(c)(iii), the establishment or change shall take effect on January 1 if the State Tax Commission receives notice meeting the requirements of Subsection (9)(c)(v) from the county before October 1.

(v) The notice described in Subsection (9)(c)(iv) shall:

(A) state that the county will establish or change the frequency of the vehicle

- emissions inspection and maintenance program under this section;
- (B) include a copy of the ordinance establishing or changing the frequency; and
- (C) if the county establishes or changes the frequency under this section, state how frequently the emissions testing will be required.
- (d) If an emissions inspection is only required every two years for a vehicle under Subsection (9)(c), the inspection shall be required for the vehicle in:
- (i) odd-numbered years for vehicles with odd-numbered model years; or
- (ii) in even-numbered years for vehicles with even-numbered model years.
- (10)(a) Except as provided in Subsections (9)(b), (c), and (d), the emissions inspection required under this section may be made no more than two months before the renewal of registration.
- (b)(i) If the title of a used motor vehicle is being transferred, the owner may use an emissions inspection certificate issued for the motor vehicle during the previous 11 months to satisfy the requirement under this section.
- (ii) If the transferor is a licensed and bonded used motor vehicle dealer, the owner may use an emissions inspection certificate issued for the motor vehicle in a licensed and bonded motor vehicle dealer's name during the previous 11 months to satisfy the requirement under this section.
- (c) If the title of a leased vehicle is being transferred to the lessee of the vehicle, the lessee may use an emissions inspection certificate issued during the previous 11 months to satisfy the requirement under this section.
- (d) If the motor vehicle is part of a fleet of 101 or more vehicles, the owner may not use an emissions inspection made more than 11 months before the renewal of registration to satisfy the requirement under this section.
- (e) If the application for renewal of registration is for a six-month registration period under Section 41-1a-215.5, the owner may use an emissions inspection certificate issued during the previous eight months to satisfy the requirement under this section.
- (11)(a) A county identified in Subsection (1) shall collect information about and monitor the program.
- (b) A county identified in Subsection (1) shall supply this information to an appropriate legislative committee, as designated by the Legislative Management Committee, at times determined by the designated committee to identify program needs, including funding needs.
- (12) If approved by the county legislative body, a county that had an established emissions

inspection fee as of January 1, 2002, may increase the established fee that an emissions inspection station may charge by \$2.50 for each year that is exempted from emissions inspections under Subsection (9)(c) up to a \$7.50 increase.

(13)(a) Except as provided in Subsection 41-1a-1223(1)(c), a county identified in Subsection (1) may impose a local emissions compliance fee on each motor vehicle registration within the county in accordance with the procedures and requirements of Section 41-1a-1223.

(b) A county that imposes a local emissions compliance fee may use revenues generated from the fee for the establishment and enforcement of an emissions inspection and maintenance program in accordance with the requirements of this section.

(c) A county that imposes a local emissions compliance fee may use revenues generated from the fee to promote programs to maintain a local, state, or national ambient air quality standard.

(14)(a) If a county has reason to believe that a vehicle owner has provided an address as required in Section 41-1a-209 to register or attempt to register a motor vehicle in a county other than the county of the bona fide residence of the owner in order to avoid an emissions inspection required under this section, the county may investigate and gather evidence to determine whether the vehicle owner has used a false address or an address other than the vehicle owner's bona fide residence or place of business.

(b) If a county conducts an investigation as described in Subsection (14)(a) and determines that the vehicle owner has used a false or improper address in an effort to avoid an emissions inspection as required in this section, the county may impose a civil penalty of \$1,000.

(15) A county legislative body described in Subsection (1) may exempt a motor vehicle from an emissions inspection if:

(a) the motor vehicle is 30 years old or older;

(b) the county determines that the motor vehicle was driven less than 1,500 miles during the preceding 12-month period; and

(c) the owner provides to the county legislative body a statement signed by the owner that states the motor vehicle:

(i) is primarily a collector's item used for:

(A) participation in club activities;

(B) exhibitions;

(C) tours; or

- 670 (D) parades; or
671 (ii) is only used for occasional transportation.

672 Section 10. Section **41-6a-1644** is amended to read:

673 **41-6a-1644 . Diesel emissions program -- Implementation -- Monitoring --**

674 **Exemptions.**

675 (1) The legislative body of each county required by the comprehensive plan for air
676 pollution control developed by the director of the Division of Air Quality in accordance
677 with Subsection 19-2-107(2)(a)(i) to use an emissions opacity inspection and
678 maintenance program for diesel-powered motor vehicles shall:

679 (a) make regulations or ordinances to implement and enforce the requirement
680 established by the Air Quality Board;

681 (b) collect information about and monitor the program; and

682 (c) by August 1 of each year, supply written information to the Department of
683 Environmental Quality to identify program status.

684 (2) The following vehicles are exempt from an emissions opacity inspection and
685 maintenance program for diesel-powered motor vehicles established by a legislative
686 body of a county under Subsection (1):

687 (a) an implement of husbandry; and

688 (b) a motor vehicle that:

689 (i) meets the definition of a farm truck under Section 41-1a-102; and

690 (ii) has a gross vehicle weight rating of [~~12,001~~] 14,001 pounds or more.

691 (3)(a) The legislative body of a county identified in Subsection (1) shall exempt a pickup
692 truck, as defined in Section 41-1a-102, with a gross vehicle weight of [~~12,000~~] 14,000
693 pounds or less from the emissions opacity inspection and maintenance program
694 requirements of this section, if the registered owner of the pickup truck provides a
695 signed statement to the legislative body stating the truck is used:

696 (i) by the owner or operator of a farm located on property that qualifies as land in
697 agricultural use under Sections 59-2-502 and 59-2-503; and

698 (ii) exclusively for the following purposes in operating the farm:

699 (A) for the transportation of farm products, including livestock and its products,
700 poultry and its products, and floricultural and horticultural products; and

701 (B) for the transportation of farm supplies, including tile, fence, and every other
702 thing or commodity used in agricultural, floricultural, horticultural, livestock,
703 and poultry production and maintenance.

(b) The county shall provide to the registered owner who signs and submits a signed statement under this section a certificate of exemption from emissions opacity inspection and maintenance program requirements for purposes of registering the exempt vehicle.

Section 11. Section **59-2-102** is amended to read:

59-2-102 . Definitions.

As used in this chapter:

- (1)(a) "Acquisition cost" means any cost required to put an item of tangible personal property into service.
- (b) "Acquisition cost" includes:
- (i) the purchase price of a new or used item;
 - (ii) the cost of freight, shipping, loading at origin, unloading at destination, crating, skidding, or any other applicable cost of shipping;
 - (iii) the cost of installation, engineering, rigging, erection, or assembly, including foundations, pilings, utility connections, or similar costs; and
 - (iv) sales and use taxes.
- (2) "Aerial applicator" means aircraft or rotorcraft used exclusively for the purpose of engaging in dispensing activities directly affecting agriculture or horticulture with an airworthiness certificate from the Federal Aviation Administration certifying the aircraft or rotorcraft's use for agricultural and pest control purposes.
- (3) "Air charter service" means an air carrier operation that requires the customer to hire an entire aircraft rather than book passage in whatever capacity is available on a scheduled trip.
- (4) "Air contract service" means an air carrier operation available only to customers that engage the services of the carrier through a contractual agreement and excess capacity on any trip and is not available to the public at large.
- (5) "Aircraft" means the same as that term is defined in Section 72-10-102.
- (6)(a) Except as provided in Subsection (6)(b), "airline" means an air carrier that:
- (i) operates:
 - (A) on an interstate route; and
 - (B) on a scheduled basis; and
 - (ii) offers to fly one or more passengers or cargo on the basis of available capacity on a regularly scheduled route.
- (b) "Airline" does not include an:

(i) air charter service; or

(ii) air contract service.

(7) "Assessment roll" or "assessment book" means a permanent record of the assessment of property as assessed by the county assessor and the commission and may be maintained manually or as a computerized file as a consolidated record or as multiple records by type, classification, or categories.

(8) "Base parcel" means a parcel of property that was legally:

(a) subdivided into two or more lots, parcels, or other divisions of land; or

(b)(i) combined with one or more other parcels of property; and

(ii) subdivided into two or more lots, parcels, or other divisions of land.

(9)(a) "Certified revenue levy" means a property tax levy that provides an amount of ad valorem property tax revenue equal to the sum of:

(i) the amount of ad valorem property tax revenue to be generated statewide in the previous year from imposing a multicounty assessing and collecting levy, as specified in Section 59-2-1602; and

(ii) the product of:

(A) eligible new growth, as defined in Section 59-2-924; and

(B) the multicounty assessing and collecting levy certified by the commission for the previous year.

(b) For purposes of this Subsection (9), "ad valorem property tax revenue" does not include property tax revenue received by a taxing entity from personal property that is:

(i) assessed by a county assessor in accordance with Part 3, County Assessment; and

(ii) semiconductor manufacturing equipment.

(c) For purposes of calculating the certified revenue levy described in this Subsection (9), the commission shall use:

(i) the taxable value of real property assessed by a county assessor contained on the assessment roll;

(ii) the taxable value of real and personal property assessed by the commission; and

(iii) the taxable year end value of personal property assessed by a county assessor contained on the prior year's assessment roll.

(10) "County-assessed commercial vehicle" means:

(a) any commercial vehicle, trailer, or semitrailer that is not apportioned under Section 41-1a-301 and is not operated interstate to transport the vehicle owner's goods or

property in furtherance of the owner's commercial enterprise;

(b) any passenger vehicle owned by a business and used by its employees for transportation as a company car or vanpool vehicle; and

(c) vehicles that are:

(i) especially constructed for towing or wrecking, and that are not otherwise used to transport goods, merchandise, or people for compensation;

(ii) used or licensed as taxicabs or limousines;

(iii) used as rental passenger cars, travel trailers, or motor homes;

(iv) used or licensed in this state for use as ambulances or hearses;

(v) especially designed and used for garbage and rubbish collection; or

(vi) used exclusively to transport students or their instructors to or from any private, public, or religious school or school activities.

(11) "Eligible judgment" means a final and unappealable judgment or order under Section 59-2-1330:

(a) that became a final and unappealable judgment or order no more than 14 months before the day on which the notice described in Section 59-2-919.1 is required to be provided; and

(b) for which a taxing entity's share of the final and unappealable judgment or order is greater than or equal to the lesser of:

(i) \$5,000; or

(ii) 2.5% of the total ad valorem property taxes collected by the taxing entity in the previous fiscal year.

(12)(a) "Escaped property" means any property, whether personal, land, or any improvements to the property, that is subject to taxation and is:

(i) inadvertently omitted from the tax rolls, assigned to the incorrect parcel, or assessed to the wrong taxpayer by the assessing authority;

(ii) undervalued or omitted from the tax rolls because of the failure of the taxpayer to comply with the reporting requirements of this chapter; or

(iii) undervalued because of errors made by the assessing authority based upon incomplete or erroneous information furnished by the taxpayer.

(b) "Escaped property" does not include property that is undervalued because of the use of a different valuation methodology or because of a different application of the same valuation methodology.

(13)(a) "Fair market value" means the amount at which property would change hands

between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of the relevant facts.

(b) For purposes of taxation, "fair market value" shall be determined using the current zoning laws applicable to the property in question, except in cases where there is a reasonable probability of a change in the zoning laws affecting that property in the tax year in question and the change would have an appreciable influence upon the value.

(14) "Geothermal fluid" means water in any form at temperatures greater than 120 degrees centigrade naturally present in a geothermal system.

(15) "Geothermal resource" means:

- (a) the natural heat of the earth at temperatures greater than 120 degrees centigrade; and
- (b) the energy, in whatever form, including pressure, present in, resulting from, created by, or which may be extracted from that natural heat, directly or through a material medium.

(16)(a) "Goodwill" means:

- (i) acquired goodwill that is reported as goodwill on the books and records that a taxpayer maintains for financial reporting purposes; or
- (ii) the ability of a business to:
 - (A) generate income that exceeds a normal rate of return on assets and that results from a factor described in Subsection (16)(b); or
 - (B) obtain an economic or competitive advantage resulting from a factor described in Subsection (16)(b).

(b) The following factors apply to Subsection (16)(a)(ii):

- (i) superior management skills;
- (ii) reputation;
- (iii) customer relationships;
- (iv) patronage; or
- (v) a factor similar to Subsections (16)(b)(i) through (iv).

(c) "Goodwill" does not include:

- (i) the intangible property described in Subsection ~~[(19)(a) or (b);]~~ (20)(a) or (b);
- (ii) locational attributes of real property, including:
 - (A) zoning;
 - (B) location;
 - (C) view;

- 840 (D) a geographic feature;
- 841 (E) an easement;
- 842 (F) a covenant;
- 843 (G) proximity to raw materials;
- 844 (H) the condition of surrounding property; or
- 845 (I) proximity to markets;
- 846 (iii) value attributable to the identification of an improvement to real property,
- 847 including:
- 848 (A) reputation of the designer, builder, or architect of the improvement;
- 849 (B) a name given to, or associated with, the improvement; or
- 850 (C) the historic significance of an improvement; or
- 851 (iv) the enhancement or assemblage value specifically attributable to the interrelation
- 852 of the existing tangible property in place working together as a unit.
- 853 (17) "Governing body" means:
- 854 (a) for a county, city, or town, the legislative body of the county, city, or town;
- 855 (b) for a special district under Title 17B, Limited Purpose Local Government Entities -
- 856 Special Districts, the special district's board of trustees;
- 857 (c) for a school district, the local board of education;
- 858 (d) for a special service district under Title 17D, Chapter 1, Special Service District Act:
- 859 (i) the legislative body of the county or municipality that created the special service
- 860 district, to the extent that the county or municipal legislative body has not
- 861 delegated authority to an administrative control board established under Section
- 862 17D-1-301; or
- 863 (ii) the administrative control board, to the extent that the county or municipal
- 864 legislative body has delegated authority to an administrative control board
- 865 established under Section 17D-1-301; or
- 866 (e) for a public infrastructure district under Title 17D, Chapter 4, Public Infrastructure
- 867 District Act, the public infrastructure district's board of trustees.
- 868 (18) "Gross vehicle weight rating" means the maximum gross vehicle weight rating as
- 869 reported by the manufacturer of the motor vehicle for the vehicle identification number.
- 870 [(18)] (19)(a) Except as provided in Subsection [(18)(e)] (19)(c), "improvement" means a
- 871 building, structure, fixture, fence, or other item that is permanently attached to land,
- 872 regardless of whether the title has been acquired to the land, if:
- 873 (i)(A) attachment to land is essential to the operation or use of the item; and

- 874 (B) the manner of attachment to land suggests that the item will remain attached to
875 the land in the same place over the useful life of the item; or
876 (ii) removal of the item would:
877 (A) cause substantial damage to the item; or
878 (B) require substantial alteration or repair of a structure to which the item is
879 attached.
- 880 (b) "Improvement" includes:
881 (i) an accessory to an item described in Subsection [~~(18)(a)~~] (19)(a) if the accessory is:
882 (A) essential to the operation of the item described in Subsection [~~(18)(a)~~] (19)(a);
883 and
884 (B) installed solely to serve the operation of the item described in Subsection [
885 ~~(18)(a)~~] (19)(a); and
886 (ii) an item described in Subsection [~~(18)(a)~~] (19)(a) that is temporarily detached from
887 the land for repairs and remains located on the land.
- 888 (c) "Improvement" does not include:
889 (i) an item considered to be personal property pursuant to rules made in accordance
890 with Section 59-2-107;
891 (ii) a moveable item that is attached to land for stability only or for an obvious
892 temporary purpose;
893 (iii)(A) manufacturing equipment and machinery; or
894 (B) essential accessories to manufacturing equipment and machinery;
895 (iv) an item attached to the land in a manner that facilitates removal without
896 substantial damage to the land or the item; or
897 (v) a transportable factory-built housing unit as defined in Section 59-2-1502 if that
898 transportable factory-built housing unit is considered to be personal property
899 under Section 59-2-1503.
- 900 [~~(19)~~] (20) "Intangible property" means:
901 (a) property that is capable of private ownership separate from tangible property,
902 including:
903 (i) money;
904 (ii) credits;
905 (iii) bonds;
906 (iv) stocks;
907 (v) representative property;

- 908 (vi) franchises;
909 (vii) licenses;
910 (viii) trade names;
911 (ix) copyrights; and
912 (x) patents;
- 913 (b) a low-income housing tax credit;
914 (c) goodwill; or
915 (d) a clean or renewable energy tax credit or incentive, including:
916 (i) a federal renewable energy production tax credit under Section 45, Internal
917 Revenue Code;
918 (ii) a federal energy credit for qualified renewable electricity production facilities
919 under Section 48, Internal Revenue Code;
920 (iii) a federal grant for a renewable energy property under American Recovery and
921 Reinvestment Act of 2009, Pub. L. No. 111-5, Section 1603; and
922 (iv) a tax credit under Subsection 59-7-614(5).
- 923 ~~[(20)]~~ (21) "Livestock" means:
924 (a) a domestic animal;
925 (b) a fish;
926 (c) a fur-bearing animal;
927 (d) a honeybee; or
928 (e) poultry.
- 929 ~~[(21)]~~ (22) "Low-income housing tax credit" means:
930 (a) a federal low-income housing tax credit under Section 42, Internal Revenue Code; or
931 (b) a low-income housing tax credit under Section 59-7-607 or Section 59-10-1010.
- 932 ~~[(22)]~~ (23) "Metalliferous minerals" includes gold, silver, copper, lead, zinc, and uranium.
- 933 ~~[(23)]~~ (24) "Mine" means a natural deposit of either metalliferous or nonmetalliferous
934 valuable mineral.
- 935 ~~[(24)]~~ (25) "Mining" means the process of producing, extracting, leaching, evaporating, or
936 otherwise removing a mineral from a mine.
- 937 ~~[(25)]~~ (26)(a) "Mobile flight equipment" means tangible personal property that is owned
938 or operated by an air charter service, air contract service, or airline and:
939 (i) is capable of flight or is attached to an aircraft that is capable of flight; or
940 (ii) is contained in an aircraft that is capable of flight if the tangible personal property
941 is intended to be used:

- 942 (A) during multiple flights;
- 943 (B) during a takeoff, flight, or landing; and
- 944 (C) as a service provided by an air charter service, air contract service, or airline.
- 945 (b)(i) "Mobile flight equipment" does not include a spare part other than a spare
- 946 engine that is rotated at regular intervals with an engine that is attached to the
- 947 aircraft.
- 948 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
- 949 the commission may make rules defining the term "regular intervals."
- 950 ~~[(26)]~~ (27) "Nonmetalliferous minerals" includes, but is not limited to, oil, gas, coal, salts,
- 951 sand, rock, gravel, and all carboniferous materials.
- 952 ~~[(27)]~~ (28) "Part-year residential property" means property that is not residential property on
- 953 January 1 of a calendar year but becomes residential property after January 1 of the
- 954 calendar year.
- 955 ~~[(28)]~~ (29) "Personal property" includes:
- 956 (a) every class of property as defined in Subsection ~~[(29)]~~ (30) that is the subject of
- 957 ownership and is not real estate or an improvement;
- 958 (b) any pipe laid in or affixed to land whether or not the ownership of the pipe is
- 959 separate from the ownership of the underlying land, even if the pipe meets the
- 960 definition of an improvement;
- 961 (c) bridges and ferries;
- 962 (d) livestock; and
- 963 (e) outdoor advertising structures as defined in Section 72-7-502.
- 964 ~~[(29)]~~ (30)(a) "Property" means property that is subject to assessment and taxation
- 965 according to its value.
- 966 (b) "Property" does not include intangible property as defined in this section.
- 967 ~~[(30)]~~ (31)(a) "Public utility" means:
- 968 (i) the operating property of a railroad, gas corporation, oil or gas transportation or
- 969 pipeline company, coal slurry pipeline company, electrical corporation, sewerage
- 970 corporation, or heat corporation where the company performs the service for, or
- 971 delivers the commodity to, the public generally or companies serving the public
- 972 generally, or in the case of a gas corporation or an electrical corporation, where
- 973 the gas or electricity is sold or furnished to any member or consumers within the
- 974 state for domestic, commercial, or industrial use; and
- 975 (ii) the operating property of any entity or person defined under Section 54-2-1

976 except water corporations.

977 (b) "Public utility" does not include the operating property of a telecommunications
978 service provider.

979 ~~[(31)]~~ (32)(a) Subject to Subsection ~~[(31)(b)]~~ (32)(b), "qualifying exempt primary
980 residential rental personal property" means household furnishings, furniture, and
981 equipment that:

982 (i) are used exclusively within a dwelling unit that is the primary residence of a
983 tenant;

984 (ii) are owned by the owner of the dwelling unit that is the primary residence of a
985 tenant; and

986 (iii) after applying the residential exemption described in Section 59-2-103, are
987 exempt from taxation under this chapter in accordance with Subsection 59-2-1115

988 (2).

989 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
990 commission may by rule define the term "dwelling unit" for purposes of this
991 Subsection ~~[(31)]~~ (32) and Subsection ~~[(34)]~~ (35).

992 ~~[(32)]~~ (33) "Real estate" or "real property" includes:

993 (a) the possession of, claim to, ownership of, or right to the possession of land;

994 (b) all mines, minerals, and quarries in and under the land, all timber belonging to
995 individuals or corporations growing or being on the lands of this state or the United
996 States, and all rights and privileges appertaining to these; and

997 (c) improvements.

998 ~~[(33)]~~ (34)(a) "Relationship with an owner of the property's land surface rights" means a
999 relationship described in Subsection 267(b), Internal Revenue Code, except that the
1000 term 25% shall be substituted for the term 50% in Subsection 267(b), Internal
1001 Revenue Code.

1002 (b) For purposes of determining if a relationship described in Subsection 267(b), Internal
1003 Revenue Code, exists, the ownership of stock shall be determined using the
1004 ownership rules in Subsection 267(c), Internal Revenue Code.

1005 ~~[(34)]~~ (35)(a) "Residential property," for purposes of the reductions and adjustments
1006 under this chapter, means any property used for residential purposes as a primary
1007 residence.

1008 (b) "Residential property" includes:

1009 (i) except as provided in Subsection ~~[(34)(b)(ii)]~~ (35)(b)(ii), includes household

1010 furnishings, furniture, and equipment if the household furnishings, furniture, and
1011 equipment are:

1012 (A) used exclusively within a dwelling unit that is the primary residence of a
1013 tenant; and

1014 (B) owned by the owner of the dwelling unit that is the primary residence of a
1015 tenant; and

1016 (ii) if the county assessor determines that the property will be used for residential
1017 purposes as a primary residence:

1018 (A) property under construction; or

1019 (B) unoccupied property.

1020 (c) "Residential property" does not include property used for transient residential use.

1021 (d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1022 commission may by rule define the term "dwelling unit" for purposes of Subsection [
1023 ~~(31)~~] (32) and this Subsection [~~(34)~~] (35).

1024 [~~(35)~~] (36) "Split estate mineral rights owner" means a person that:

1025 (a) has a legal right to extract a mineral from property;

1026 (b) does not hold more than a 25% interest in:

1027 (i) the land surface rights of the property where the wellhead is located; or

1028 (ii) an entity with an ownership interest in the land surface rights of the property
1029 where the wellhead is located;

1030 (c) is not an entity in which the owner of the land surface rights of the property where
1031 the wellhead is located holds more than a 25% interest; and

1032 (d) does not have a relationship with an owner of the land surface rights of the property
1033 where the wellhead is located.

1034 [~~(36)~~] (37)(a) "State-assessed commercial vehicle" means:

1035 (i) any commercial vehicle, trailer, or semitrailer that operates interstate or intrastate
1036 to transport passengers, freight, merchandise, or other property for hire; or

1037 (ii) any commercial vehicle, trailer, or semitrailer that operates interstate and
1038 transports the vehicle owner's goods or property in furtherance of the owner's
1039 commercial enterprise.

1040 (b) "State-assessed commercial vehicle" does not include vehicles used for hire that are
1041 specified in Subsection (10)(c) as county-assessed commercial vehicles.

1042 [~~(37)~~] (38) "Subdivided lot" means a lot, parcel, or other division of land, that is a division
1043 of a base parcel.

- 1044 ~~[(38)]~~ (39) "Tax area" means a geographic area created by the overlapping boundaries of
1045 one or more taxing entities.
- 1046 ~~[(39)]~~ (40) "Taxable value" means fair market value less any applicable reduction allowed
1047 for residential property under Section 59-2-103.
- 1048 ~~[(40)]~~ (41) "Taxing entity" means any county, city, town, school district, special taxing
1049 district, special district under Title 17B, Limited Purpose Local Government Entities -
1050 Special Districts, or other political subdivision of the state with the authority to levy a
1051 tax on property.
- 1052 ~~[(41)]~~ (42)(a) "Tax roll" means a permanent record of the taxes charged on property, as
1053 extended on the assessment roll, and may be maintained on the same record or
1054 records as the assessment roll or may be maintained on a separate record properly
1055 indexed to the assessment roll.
- 1056 (b) "Tax roll" includes tax books, tax lists, and other similar materials.
- 1057 ~~[(42)]~~ (43) "Telecommunications service provider" means the same as that term is defined in
1058 Section 59-12-102.
- 1059 Section 12. Section **59-2-103** is amended to read:
- 1060 **59-2-103 . Rate of assessment of property -- Residential property.**
- 1061 (1) As used in this section:
- 1062 (a)(i) "Household" means the association of individuals who live in the same
1063 dwelling, sharing the dwelling's furnishings, facilities, accommodations, and
1064 expenses.
- 1065 (ii) "Household" includes married individuals, who are not legally separated, who
1066 have established domiciles at separate locations within the state.
- 1067 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1068 commission may make rules defining the term "domicile."
- 1069 (2) All tangible taxable property located within the state shall be assessed and taxed at a
1070 uniform and equal rate on the basis of its fair market value, as valued on January 1,
1071 unless otherwise provided by law.
- 1072 (3) Subject to Subsections (4) through (6) and Section 59-2-103.5, for a calendar year, the
1073 fair market value of residential property located within the state is allowed a residential
1074 exemption equal to a 45% reduction in the value of the property.
- 1075 (4) Part-year residential property located within the state is allowed the residential
1076 exemption described in Subsection (3) if the part-year residential property is used as
1077 residential property for 183 or more consecutive calendar days during the calendar year

for which the owner seeks to obtain the residential exemption.

(5) No more than one acre of land per residential unit may qualify for the residential exemption described in Subsection (3).

(6)(a) Except as provided in Subsections (6)(b)(ii) and (iii), a residential exemption described in Subsection (3) is limited to one primary residence per household.

(b) An owner of multiple primary residences located within the state is allowed a residential exemption under Subsection (3) for:

(i) subject to Subsection (6)(a), the primary residence of the owner;

(ii) each residential property that is the primary residence of a tenant; and

(iii) subject to Subsection 59-2-103.5(4), each residential property described in Subsection [~~59-2-102(34)(b)(ii)~~] 59-2-102(35)(b)(ii).

Section 13. Section **59-2-103.5** is amended to read:

59-2-103.5 . Procedures to obtain an exemption for residential property --

Procedure if property owner or property no longer qualifies to receive a residential exemption.

(1) Subject to Subsections (4), (5), and (10), for residential property other than part-year residential property, a county legislative body may adopt an ordinance that requires an owner to file an application with the county board of equalization before the county applies a residential exemption authorized under Section 59-2-103 to the value of the residential property if:

(a) the residential property was ineligible for the residential exemption during the calendar year immediately preceding the calendar year for which the owner is seeking to have the residential exemption applied to the value of the residential property;

(b) an ownership interest in the residential property changes; or

(c) the county board of equalization determines that there is reason to believe that the residential property no longer qualifies for the residential exemption.

(2)(a) The application described in Subsection (1):

(i) shall be on a form the commission provides by rule and makes available to the counties;

(ii) shall be signed by the owner of the residential property; and

(iii) may not request the sales price of the residential property.

(b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may make rules providing the contents of the form described in

- 1112 Subsection (2)(a).
- 1113 (c) For purposes of the application described in Subsection (1), a county may not request
1114 information from an owner of a residential property beyond the information in the
1115 form provided by the commission under this Subsection (2).
- 1116 (3)(a) Regardless of whether a county legislative body adopts an ordinance described in
1117 Subsection (1), before a county may apply a residential exemption to the value of
1118 part-year residential property, an owner of the property shall:
- 1119 (i) file the application described in Subsection (2)(a) with the county board of
1120 equalization; and
- 1121 (ii) include as part of the application described in Subsection (2)(a) a statement that
1122 certifies:
- 1123 (A) the date the part-year residential property became residential property;
- 1124 (B) that the part-year residential property will be used as residential property for
1125 183 or more consecutive calendar days during the calendar year for which the
1126 owner seeks to obtain the residential exemption; and
- 1127 (C) that the owner, or a member of the owner's household, may not claim a
1128 residential exemption for any property for the calendar year for which the
1129 owner seeks to obtain the residential exemption, other than the part-year
1130 residential property, or as allowed under Section 59-2-103 with respect to the
1131 primary residence or household furnishings, furniture, and equipment of the
1132 owner's tenant.
- 1133 (b) If an owner files an application under this Subsection (3) on or after May 1 of the
1134 calendar year for which the owner seeks to obtain the residential exemption, the
1135 county board of equalization may require the owner to pay an application fee not to
1136 exceed \$50.
- 1137 (4) Before a county allows residential property described in Subsection [~~59-2-102(34)(b)(ii)~~]
1138 59-2-102(35)(b)(ii) a residential exemption authorized under Section 59-2-103, an
1139 owner of the residential property shall file with the county assessor a written declaration
1140 that:
- 1141 (a) states under penalty of perjury that, to the best of each owner's knowledge, upon
1142 completion of construction or occupancy of the residential property, the residential
1143 property will be used for residential purposes as a primary residence;
- 1144 (b) is signed by each owner of the residential property; and
- 1145 (c) is on a form approved by the commission.

- 1146 (5)(a) Before a county allows residential property described in Subsection 59-2-103
1147 (6)(b) a residential exemption authorized under Section 59-2-103, an owner of the
1148 residential property shall file with the county assessor a written declaration that:
1149 (i) states under penalty of perjury that, to the best of each owner's knowledge, the
1150 residential property will be used for residential purposes as a primary residence of
1151 a tenant;
1152 (ii) is signed by each owner of the residential property; and
1153 (iii) is on a form approved by the commission.
- 1154 (b)(i)(A) In addition to the declaration, a county assessor may request from an
1155 owner a current lease agreement signed by the tenant.
1156 (B) If the lease agreement is insufficient for a county assessor to make a
1157 determination about eligibility for a residential exemption, a county assessor
1158 may request a copy of the real estate insurance policy for the property.
1159 (C) If the real estate insurance policy is insufficient for a county assessor to make
1160 a determination about eligibility for a residential exemption, a county assessor
1161 may request a copy of a filing from the most recent federal tax return showing
1162 that the owner had profit or loss from the residential property as a rental.
1163 (ii) A county assessor may not request information from an owner's tenant.
- 1164 (6) Except as provided in Subsection (7), if a property owner no longer qualifies to receive
1165 a residential exemption authorized under Section 59-2-103 for the property owner's
1166 primary residence, the property owner shall:
1167 (a) file a written statement with the county board of equalization of the county in which
1168 the property is located:
1169 (i) on a form provided by the county board of equalization; and
1170 (ii) notifying the county board of equalization that the property owner no longer
1171 qualifies to receive a residential exemption authorized under Section 59-2-103 for
1172 the property owner's primary residence; and
1173 (b) declare on the property owner's individual income tax return under Chapter 10,
1174 Individual Income Tax Act, for the taxable year for which the property owner no
1175 longer qualifies to receive a residential exemption authorized under Section 59-2-103
1176 for the property owner's primary residence, that the property owner no longer
1177 qualifies to receive a residential exemption authorized under Section 59-2-103 for the
1178 property owner's primary residence.
- 1179 (7) A property owner is not required to file a written statement or make the declaration

- 1180 described in Subsection (6) if the property owner:
- 1181 (a) changes primary residences;
- 1182 (b) qualified to receive a residential exemption authorized under Section 59-2-103 for
- 1183 the residence that was the property owner's former primary residence; and
- 1184 (c) qualifies to receive a residential exemption authorized under Section 59-2-103 for the
- 1185 residence that is the property owner's current primary residence.
- 1186 (8) Subsections (2) through (7) do not apply to qualifying exempt primary residential rental
- 1187 personal property.
- 1188 (9)(a) Subject to Subsection (10), for the first calendar year in which a property owner
- 1189 qualifies to receive a residential exemption under Section 59-2-103, a county assessor
- 1190 may require the property owner to file a signed statement described in Section
- 1191 59-2-306.
- 1192 (b) Subject to Subsection (10) and notwithstanding Section 59-2-306, for a calendar year
- 1193 after the calendar year described in Subsection (9)(a) in which a property owner
- 1194 qualifies for an exemption authorized under Section 59-2-1115 for qualifying exempt
- 1195 primary residential rental personal property, a signed statement described in Section
- 1196 59-2-306 with respect to the qualifying exempt primary residential rental personal
- 1197 property may only require the property owner to certify, under penalty of perjury,
- 1198 that the property owner qualifies for the exemption authorized under Section
- 1199 59-2-1115.
- 1200 (10)(a) After an ownership interest in residential property changes, the county assessor
- 1201 shall:
- 1202 (i) notify the owner of the residential property that the owner is required to submit a
- 1203 written declaration described in Subsection (10)(d) within 90 days after the day on
- 1204 which the county assessor mails the notice under this Subsection (10)(a); and
- 1205 (ii) provide the owner of the residential property with the form described in
- 1206 Subsection (10)(e) to make the written declaration described in Subsection (10)(d).
- 1207 (b) A county assessor is not required to provide a notice to an owner of residential
- 1208 property under Subsection (10)(a) if the situs address of the residential property is the
- 1209 same as any one of the following:
- 1210 (i) the mailing address of the residential property owner or the tenant of the
- 1211 residential property;
- 1212 (ii) the address listed on the:
- 1213 (A) residential property owner's driver license; or

- 1214 (B) tenant of the residential property's driver license; or
 1215 (iii) the address listed on the:
 1216 (A) residential property owner's voter registration; or
 1217 (B) tenant of the residential property's voter registration.
- 1218 (c) A county assessor is not required to provide a notice to an owner of residential
 1219 property under Subsection (10)(a) if:
 1220 (i) the owner is using a post office box or rural route box located in the county where
 1221 the residential property is located; and
 1222 (ii) the residential property is located in a county of the fourth, fifth, or sixth class.
- 1223 (d) An owner of residential property that receives a notice described in Subsection
 1224 (10)(a) shall submit a written declaration to the county assessor under penalty of
 1225 perjury certifying the information contained in the form described in Subsection
 1226 (10)(e).
- 1227 (e) The written declaration required by Subsection (10)(d) shall be:
 1228 (i) signed by the owner of the residential property; and
 1229 (ii) in substantially the following form:
- 1230 "Residential Property Declaration
- 1231 This form must be submitted to the County Assessor's office where your new residential
 1232 property is located within 90 days of receipt. Failure to do so will result in the county assessor
 1233 taking action that could result in the withdrawal of the primary residential exemption from
 1234 your residential property.
- 1235 Residential Property Owner Information
- 1236 Name(s): _____
 1237 Home Phone: _____
 1238 Work Phone: _____
 1239 Mailing Address: _____
- 1240 Residential Property Information
- 1241 Physical Address: _____
- 1242 Certification
- 1243 1. Is this property used as a primary residential property or part-year residential
 1244 property for you or another person?
- 1245 "Part-year residential property" means owned property that is not residential property on
 1246 January 1 of a calendar year but becomes residential property after January 1 of the calendar
 1247 year.

1248 Yes No

1249 2. Will this primary residential property or part-year residential property be occupied
1250 for 183 or more consecutive calendar days by the owner or another person?

1251 A part-year residential property occupied for 183 or more consecutive calendar days in a
1252 calendar year by the owner(s) or a tenant is eligible for the exemption.

1253 Yes No

1254 If a property owner or a property owner's spouse claims a residential exemption under
1255 Utah Code Ann. §59-2-103 for property in this state that is the primary residence of the property
1256 owner or the property owner's spouse, that claim of a residential exemption creates a rebuttable
1257 presumption that the property owner and the property owner's spouse have domicile in Utah
1258 for income tax purposes. The rebuttable presumption of domicile does not apply if the
1259 residential property is the primary residence of a tenant of the property owner or the property
1260 owner's spouse.

1261 Signature

1262 Under penalties of perjury, I declare to the best of my knowledge and belief, this
1263 declaration and accompanying pages are true, correct, and complete.

1264 _____(Owner signature) _____Date (mm/dd/yyyy)

1265 _____(Owner printed name)

1266 (f) For purposes of a written declaration described in this Subsection (10), a county may
1267 not request information from a property owner beyond the information described in the form
1268 provided in Subsection (10)(e).

1269 (g) (i) If, after receiving a written declaration filed under Subsection (10)(d), the county
1270 determines that the property has been incorrectly qualified or disqualified to receive a
1271 residential exemption, the county shall:

1272 (A) redetermine the property's qualification to receive a residential exemption; and

1273 (B) notify the claimant of the redetermination and the county's reason for the
1274 redetermination.

1275 (ii) The redetermination provided in Subsection (10)(g)(i)(A) is final unless:

1276 (A) except as provided in Subsection (10)(g)(iii), the property owner appeals the
1277 redetermination to the board of equalization in accordance with Subsection 59-2-1004(2); or

1278 (B) the county determines that the property is eligible to receive a primary residential
1279 exemption as part-year residential property.

1280 (iii) The board of equalization may not accept an appeal that is filed after the later of:

1281 (A) September 15 of the current calendar year; or

(B) the last day of the 45-day period beginning on the day on which the county auditor provides the notice under Section 59-2-919.1.

(h) (i) If a residential property owner fails to file a written declaration required by Subsection (10)(d), the county assessor shall mail to the owner of the residential property a notice that:

(A) the property owner failed to file a written declaration as required by Subsection (10)(d); and

(B) the property owner will no longer qualify to receive the residential exemption authorized under Section 59-2-103 for the property that is the subject of the written declaration if the property owner does not file the written declaration required by Subsection (10)(d) within 30 days after the day on which the county assessor mails the notice under this Subsection (10)(h)(i).

(ii) If a property owner fails to file a written declaration required by Subsection (10)(d) after receiving the notice described in Subsection (10)(h)(i), the property owner no longer qualifies to receive the residential exemption authorized under Section 59-2-103 in the calendar year for the property that is the subject of the written declaration unless:

(A) except as provided in Subsection (10)(h)(iii), the property owner appeals the redetermination to the board of equalization in accordance with Subsection 59-2-1004(2); or

(B) the county determines that the property is eligible to receive a primary residential exemption as part-year residential property.

(iii) The board of equalization may not accept an appeal that is filed after the later of:

(A) September 15 of the current calendar year; or

(B) the last day of the 45-day period beginning on the day on which the county auditor provides the notice under Section 59-2-919.1.

(iv) A property owner that is disqualified to receive the residential exemption under Subsection (10)(h)(ii) may file an application described in Subsection (1) to determine whether the owner is eligible to receive the residential exemption.

(i) The requirements of this Subsection (10) do not apply to a county assessor in a county that has, for the five calendar years prior to 2019, had in place and enforced an ordinance described in Subsection (1).

Section 14. Section **59-2-405** is amended to read:

59-2-405 . Uniform fee on tangible personal property required to be registered with the state -- Distribution of revenues -- Appeals.

(1) The property described in Subsection (2), except Subsection (2)(b)(ii), is exempt from

- 1316 ad valorem property taxes pursuant to Utah Constitution Article XIII, Section 2,
1317 Subsection (6).
- 1318 (2)(a) Except as provided in Subsection (2)(b), there is levied as provided in this part a
1319 statewide uniform fee in lieu of the ad valorem tax on:
- 1320 (i) motor vehicles required to be registered with the state that [~~weigh 12,001~~] have a
1321 gross vehicle weight rating of 14,001 pounds or more;
 - 1322 (ii) motorcycles as defined in Section 41-1a-102 that are required to be registered
1323 with the state;
 - 1324 (iii) watercraft required to be registered with the state;
 - 1325 (iv) recreational vehicles required to be registered with the state; and
 - 1326 (v) all other tangible personal property required to be registered with the state before
1327 it is used on a public highway, on a public waterway, on public land, or in the air.
- 1328 (b) The following tangible personal property is exempt from the statewide uniform fee
1329 imposed by this section:
- 1330 (i) aircraft;
 - 1331 (ii) state-assessed commercial vehicles;
 - 1332 (iii) tangible personal property subject to a uniform fee imposed by:
 - 1333 (A) Section 59-2-405.1;
 - 1334 (B) Section 59-2-405.2; or
 - 1335 (C) Section 59-2-405.3; and
 - 1336 (iv) personal property that is exempt from state or county ad valorem property taxes
1337 under the laws of this state or of the federal government.
- 1338 (3) Beginning on January 1, 1999, the uniform fee is 1.5% of the fair market value of the
1339 personal property, as established by the commission.
- 1340 (4) Notwithstanding Section 59-2-407, property subject to the uniform fee that is brought
1341 into the state and is required to be registered in Utah shall, as a condition of registration,
1342 be subject to the uniform fee unless all property taxes or uniform fees imposed by the
1343 state of origin have been paid for the current calendar year.
- 1344 (5)(a) The revenues collected in each county from the uniform fee shall be distributed by
1345 the county to each taxing entity in which the property described in Subsection (2) is
1346 located in the same proportion in which revenue collected from ad valorem real
1347 property tax is distributed.
- 1348 (b) Each taxing entity shall distribute the revenues received under Subsection (5)(a) in
1349 the same proportion in which revenue collected from ad valorem real property tax is

1350 distributed.

1351 (6) An appeal relating to the uniform fee imposed on the tangible personal property
1352 described in Subsection (2) shall be filed pursuant to Section 59-2-1005.

1353 Section 15. Section **59-2-405.1** is amended to read:

1354 **59-2-405.1 . Uniform fee on certain vehicles with a gross vehicle weight rating of**
1355 **14,000 pounds or less -- Distribution of revenues -- Appeals.**

1356 (1) The property described in Subsection (2) is exempt from ad valorem property taxes
1357 pursuant to Utah Constitution Article XIII, Section 2, Subsection (6).

1358 (2)(a) Except as provided in Subsection (2)(b), there is levied as provided in this part a
1359 statewide uniform fee in lieu of the ad valorem tax on:

1360 (i) motor vehicles as defined in Section 41-1a-102 that:

1361 (A) are required to be registered with the state; and

1362 (B) ~~[weigh 12,000]~~ have a gross vehicle weight rating of 14,000 pounds or less; and

1363 (ii) state-assessed commercial vehicles required to be registered with the state that [
1364 ~~weigh 12,000]~~ have a gross vehicle weight rating of 14,000 pounds or less.

1365 (b) The following tangible personal property is exempt from the statewide uniform fee
1366 imposed by this section:

1367 (i) aircraft;

1368 (ii) tangible personal property subject to a uniform fee imposed by:

1369 (A) Section 59-2-405;

1370 (B) Section 59-2-405.2; or

1371 (C) Section 59-2-405.3; and

1372 (iii) tangible personal property that is exempt from state or county ad valorem
1373 property taxes under the laws of this state or of the federal government.

1374 (3)(a) Except as provided in Subsections (3)(b) and (c), beginning on January 1, 1999,
1375 the uniform fee for purposes of this section is as follows:

Age of Vehicle	Uniform Fee
12 or more years	\$10
9 or more years but less than 12 years	\$50
6 or more years but less than 9 years	\$80
3 or more years but less than 6 years	\$110
Less than 3 years	\$150

1382 (b) For registrations under Section 41-1a-215.5, the uniform fee for purposes of this

1383 section is as follows:

Age of Vehicle	Uniform Fee
12 or more years	\$7.75
9 or more years but less than 12 years	\$38.50
6 or more years but less than 9 years	\$61.50
3 or more years but less than 6 years	\$84.75
Less than 3 years	\$115.50

1390 (c) Notwithstanding Subsections (3)(a) and (b), beginning on September 1, 2001, for a
 1391 motor vehicle issued a temporary sports event registration certificate in accordance
 1392 with Section 41-3-306, the uniform fee for purposes of this section is \$5 for the event
 1393 period specified on the temporary sports event registration certificate regardless of
 1394 the age of the motor vehicle.

1395 (4) Notwithstanding Section 59-2-407, property subject to the uniform fee that is brought
 1396 into the state and is required to be registered in Utah shall, as a condition of registration,
 1397 be subject to the uniform fee unless all property taxes or uniform fees imposed by the
 1398 state of origin have been paid for the current calendar year.

1399 (5)(a) The revenues collected in each county from the uniform fee shall be distributed by
 1400 the county to each taxing entity in which the property described in Subsection (2) is
 1401 located in the same proportion in which revenue collected from ad valorem real
 1402 property tax is distributed.

1403 (b) Each taxing entity shall distribute the revenues received under Subsection (5)(a) in
 1404 the same proportion in which revenue collected from ad valorem real property tax is
 1405 distributed.

1406 Section 16. Section **59-2-801** is amended to read:

1407 **59-2-801 . Apportionment of property assessed by commission.**

1408 (1) As used in this section:

1409 (a)(i) Except as provided in Subsection (1)(a)(ii), "designated tax area" means a tax
 1410 area created by the overlapping boundaries of only the following taxing entities:

1411 (A) a county; and

1412 (B) a school district.

1413 (ii) "Designated tax area" includes a tax area created by the overlapping boundaries
 1414 of the taxing entities described in Subsection (1)(a)(i) and:

1415 (A) a city or town if the boundaries of the school district under Subsection

- 1416 (1)(a)(i) and the boundaries of the city or town are identical; or
1417 (B) a special service district if the boundaries of the school district under
1418 Subsection (1)(a)(i) are located entirely within the special service district.
- 1419 (b) "Ground hours" means the total number of hours during the calendar year
1420 immediately preceding the January 1 described in Section 59-2-103 that aircraft
1421 owned or operated by the following are on the ground:
1422 (i) an air charter service;
1423 (ii) an air contract service; or
1424 (iii) an airline.
- 1425 (2) Before May 25 of each year, the commission shall apportion to each tax area the total
1426 assessment of all of the property the commission assesses as provided in Subsections
1427 (2)(a) through (e).
- 1428 (a)(i) The commission shall apportion the assessments of the property described in
1429 Subsection (2)(a)(ii):
1430 (A) to each tax area through which the public utility or company described in
1431 Subsection (2)(a)(ii) operates; and
1432 (B) in proportion to the property's value in each tax area.
- 1433 (ii) Subsection (2)(a)(i) applies to property owned by:
1434 (A) a public utility, except for the rolling stock of a public utility;
1435 (B) a pipeline company;
1436 (C) a power company;
1437 (D) a canal company; or
1438 (E) an irrigation company.
- 1439 (b) The commission shall apportion the assessments of the rolling stock of a railroad:
1440 (i) to the tax areas through which railroads operate; and
1441 (ii) in the proportion that the length of the main tracks, sidetracks, passing tracks,
1442 switches, and tramways of the railroads in each tax area bears to the total length of
1443 the main tracks, sidetracks, passing tracks, switches, and tramways in the state.
- 1444 (c) The commission shall apportion the assessments of the property of a car company to:
1445 (i) each tax area in which a railroad is operated; and
1446 (ii) in the proportion that the length of the main tracks, passing tracks, sidetracks,
1447 switches, and tramways of all of the railroads in each tax area bears to the total
1448 length of the main tracks, passing tracks, sidetracks, switches, and tramways of all
1449 of the railroads in the state.

- 1450 (d)(i) The commission shall apportion the assessments of the property described in
1451 Subsection (2)(d)(ii) to each tax area in which the property is located.
- 1452 (ii) Subsection (2)(d)(i) applies to the following property:
- 1453 (A) mines;
- 1454 (B) mining claims; or
- 1455 (C) mining property.
- 1456 (e)(i) The commission shall apportion the assessments of the property described in
1457 Subsection (2)(e)(ii) to:
- 1458 (A) each designated tax area; and
- 1459 (B) in the proportion that the ground hours in each designated tax area bear to the
1460 total ground hours in the state.
- 1461 (ii) Subsection (2)(e)(i) applies to the mobile flight equipment owned or operated by
1462 an:
- 1463 (A) air charter service;
- 1464 (B) air contract service; or
- 1465 (C) airline.
- 1466 (3)(a)(i)(A) State-assessed commercial vehicles that weigh [~~12,001~~] 14,001 pounds
1467 or more shall be taxed at a statewide average rate which is calculated from the
1468 overall county average tax rates from the preceding year, exclusive of the
1469 property subject to the statewide uniform fee, weighted by lane miles of
1470 principal routes in each county.
- 1471 (B) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking
1472 Act, the commission shall adopt rules to define "principal routes."
- 1473 (ii) State-assessed commercial vehicles that weigh [~~12,000~~] 14,000 pounds or less are
1474 subject to the uniform fee provided in Section 59-2-405.1.
- 1475 (b) The combined revenue from all state-assessed commercial vehicles shall be
1476 apportioned to the counties based on:
- 1477 (i) 40% by the percentage of lane miles of principal routes within each county as
1478 determined by the commission; and
- 1479 (ii) 60% by the percentage of total state-assessed vehicles having business situs in
1480 each county.
- 1481 (c) At least quarterly, the commission shall apportion the total taxes paid on
1482 state-assessed commercial vehicles to the counties.
- 1483 (d) Each county shall apportion its share of the revenues under this Subsection (3) to the

1484 taxing entities within its boundaries in the same proportion as the assessments of
1485 other:

- 1486 (i) real property;
1487 (ii) tangible personal property; and
1488 (iii) property assessed by the commission.

1489 Section 17. Section **59-2-804** is amended to read:

1490 **59-2-804 . Interstate allocation of mobile flight equipment.**

1491 (1) As used in this section:

1492 (a) "Aircraft type" means a particular model of aircraft as designated by the
1493 manufacturer of the aircraft.

1494 (b) "Airline ground hours calculation" means an amount equal to the product of:

- 1495 (i) the total number of hours aircraft owned or operated by an airline are on the
1496 ground, calculated by aircraft type; and
1497 (ii) the cost percentage.

1498 (c) "Airline revenue ton miles" means, for an airline, the total revenue ton miles during
1499 the calendar year that immediately precedes the January 1 described in Section
1500 59-2-103.

1501 (d) "Cost percentage" means a fraction, calculated by aircraft type, the numerator of
1502 which is the airline's average cost of the aircraft type and the denominator of which is
1503 the airline's average cost of the aircraft type:

- 1504 (i) owned or operated by the airline; and
1505 (ii) that has the lowest average cost.

1506 (e) "Ground hours factor" means the product of:

- 1507 (i) a fraction, the numerator of which is the Utah ground hours calculation and the
1508 denominator of which is the airline ground hours calculation; and
1509 (ii) .50.

1510 (f)(i) Except as provided in Subsection (1)(f)(ii), "mobile flight equipment" is as
1511 defined in Section 59-2-102.

1512 (ii) "Mobile flight equipment" does not include tangible personal property described
1513 in Subsection ~~[59-2-102(25)]~~ 59-2-102(26) owned by an:

- 1514 (A) air charter service; or
1515 (B) air contract service.

1516 (g) "Mobile flight equipment allocation factor" means the sum of:

- 1517 (i) the ground hours factor; and

- 1518 (ii) the revenue ton miles factor.
- 1519 (h) "Revenue ton miles" is determined in accordance with 14 C.F.R. Part 241.
- 1520 (i) "Revenue ton miles factor" means the product of:
- 1521 (i) a fraction, the numerator of which is the Utah revenue ton miles and the
- 1522 denominator of which is the airline revenue ton miles; and
- 1523 (ii) .50.
- 1524 (j) "Utah ground hours calculation" means an amount equal to the product of:
- 1525 (i) the total number of hours aircraft owned or operated by an airline are on the
- 1526 ground in this state, calculated by aircraft type; and
- 1527 (ii) the cost percentage.
- 1528 (k) "Utah revenue ton miles" means, for an airline, the total revenue ton miles within the
- 1529 borders of this state:
- 1530 (i) during the calendar year that immediately precedes the January 1 described in
- 1531 Section 59-2-103; and
- 1532 (ii) from flight stages that originate or terminate in this state.
- 1533 (2) For purposes of the assessment of an airline's mobile flight equipment by the
- 1534 commission, a portion of the value of the airline's mobile flight equipment shall be
- 1535 allocated to the state by calculating the product of:
- 1536 (a) the total value of the mobile flight equipment; and
- 1537 (b) the mobile flight equipment allocation factor.
- 1538 Section 18. Section **59-7-302** is amended to read:
- 1539 **59-7-302 . Definitions -- Determination of taxpayer status.**
- 1540 (1) As used in this part, unless the context otherwise requires:
- 1541 (a) "Aircraft type" means a particular model of aircraft as designated by the
- 1542 manufacturer of the aircraft.
- 1543 (b) "Airline" means the same as that term is defined in Section 59-2-102.
- 1544 (c) "Airline revenue ton miles" means, for an airline, the total revenue ton miles during
- 1545 the airline's tax period.
- 1546 (d) "Business income" means income that:
- 1547 (i) is apportionable under the United States Constitution and is not allocated under
- 1548 the laws of this state, including income arising from:
- 1549 (A) a transaction or activity in the regular course of the taxpayer's trade or
- 1550 business; and
- 1551 (B) tangible and intangible property, if the acquisition, management, employment,

- 1552 development, or disposition of the property is or was related to the operation of
1553 the taxpayer's trade or business; or
- 1554 (ii) would be allocable to this state under the United States Constitution, but is
1555 apportioned rather than allocated in accordance with the laws of this state.
- 1556 (e) "Commercial domicile" means the principal place from which the trade or business
1557 of the taxpayer is directed or managed.
- 1558 (f) "Compensation" means wages, salaries, commissions, and any other form of
1559 remuneration paid to employees for personal services.
- 1560 (g) "Excluded NAICS code" means a NAICS code of the 2017 North American Industry
1561 Classification System of the federal Executive Office of the President, Office of
1562 Management and Budget, within:
- 1563 (i) NAICS Code 211120, Crude Petroleum Extraction;
1564 (ii) NAICS Industry Group 2121, Coal Mining;
1565 (iii) NAICS Industry Group 2212, Natural Gas Distribution;
1566 (iv) NAICS Subsector 311, Food Manufacturing;
1567 (v) NAICS Industry Group 3121, Beverage Manufacturing;
1568 (vi) NAICS Code 327310, Cement Manufacturing;
1569 (vii) NAICS Subsector 482, Rail Transportation;
1570 (viii) NAICS Code 512110, Motion Picture and Video Production;
1571 (ix) NAICS Subsection 515, Broadcasting (except Internet); or
1572 (x) NAICS Code 522110, Commercial Banking.
- 1573 (h)(i) Except as provided in Subsection (1)(h)(ii), "mobile flight equipment" means
1574 the same as that term is defined in Section 59-2-102.
- 1575 (ii) "Mobile flight equipment" does not include:
- 1576 (A) a spare engine; or
1577 (B) tangible personal property described in Subsection [~~59-2-102(25)~~]
1578 59-2-102(26) owned by an air charter service or an air contract service.
- 1579 (i) "Nonbusiness income" means all income other than business income.
- 1580 (j) "Optional apportionment taxpayer" means a taxpayer described in Subsection (3).
- 1581 (k) "Phased-in sales factor weighted taxpayer" means a taxpayer that:
- 1582 (i) is not a sales factor weighted taxpayer;
1583 (ii) does not meet the definition of an optional apportionment taxpayer; or
1584 (iii) for a taxable year beginning on or after January 1, 2020:
1585 (A) meets the definition of an optional apportionment taxpayer; and

- 1586 (B) apportioned business income using the method described in Subsection
1587 59-7-311(4) during the previous taxable year.
- 1588 (l) "Revenue ton miles" is determined in accordance with 14 C.F.R. Part 241.
- 1589 (m) "Sales" means all gross receipts of the taxpayer not allocated under Sections
1590 59-7-306 through 59-7-310.
- 1591 (n) "Sales factor weighted taxpayer" means a taxpayer described in Subsection (2).
- 1592 (o) "State" means any state of the United States, the District of Columbia, the
1593 Commonwealth of Puerto Rico, any territory or possession of the United States, and
1594 any foreign country or political subdivision thereof.
- 1595 (p) "Transportation revenue" means revenue an airline earns from:
1596 (i) transporting a passenger or cargo; or
1597 (ii) from miscellaneous sales of merchandise as part of providing transportation
1598 services.
- 1599 (q) "Utah revenue ton miles" means, for an airline, the total revenue ton miles within the
1600 borders of this state:
1601 (i) during the airline's tax period; and
1602 (ii) from flight stages that originate or terminate in this state.
- 1603 (2)(a) A taxpayer is a sales factor weighted taxpayer if the taxpayer apportioned
1604 business income using the method described in Subsection 59-7-311(2) during the
1605 previous taxable year or if, regardless of the number of economic activities the
1606 taxpayer performs, the taxpayer generates greater than 50% of the taxpayer's total
1607 sales everywhere from economic activities that are classified in a NAICS code of the
1608 2002 or 2007 North American Industry Classification System of the federal
1609 Executive Office of the President, Office of Management and Budget, other than:
1610 (i) a NAICS code within NAICS Sector 21, Mining;
1611 (ii) a NAICS code within NAICS Industry Group 2212, Natural Gas Distribution;
1612 (iii) a NAICS code within NAICS Sector 31-33, Manufacturing, except:
1613 (A) NAICS Industry Group 3254, Pharmaceutical and Medicine Manufacturing;
1614 (B) NAICS Industry Group 3333, Commercial and Service Industry Machinery
1615 Manufacturing;
1616 (C) NAICS Subsector 334, Computer and Electronic Product Manufacturing; and
1617 (D) NAICS Code 336111, Automobile Manufacturing;
1618 (iv) a NAICS code within NAICS Sector 48-49, Transportation and Warehousing;
1619 (v) a NAICS code within NAICS Sector 51, Information, except NAICS Subsector

- 1620 519, Other Information Services; or
- 1621 (vi) a NAICS code within NAICS Sector 52, Finance and Insurance.
- 1622 (b) A taxpayer shall determine if the taxpayer is a sales factor weighted taxpayer each
- 1623 year before the due date for filing the taxpayer's return under this chapter for the
- 1624 taxable year, including extensions.
- 1625 (c) For purposes of making the determination required by Subsection (2)(a), total sales
- 1626 everywhere include only the total sales everywhere:
- 1627 (i) as determined in accordance with this part; and
- 1628 (ii) made during the taxable year for which a taxpayer makes the determination
- 1629 required by Subsection (2)(a).
- 1630 (3)(a) A taxpayer is an optional apportionment taxpayer if the average calculated in
- 1631 accordance with Subsection (3)(b) is greater than .50.
- 1632 (b) To calculate the average described in Subsection (3)(a), a taxpayer shall:
- 1633 (i) calculate the following two fractions:
- 1634 (A) the property factor fraction as described in Subsection 59-7-312(3); and
- 1635 (B) the payroll factor fraction as described in Subsection 59-7-315(3);
- 1636 (ii) add together the fractions described in Subsection (3)(b)(i); and
- 1637 (iii) divide the sum calculated in Subsection (3)(b)(ii):
- 1638 (A) except as provided in Subsection (3)(b)(iii)(B), by two; or
- 1639 (B) if either the property factor fraction or the payroll factor fraction has a
- 1640 denominator of zero or is excluded in accordance with Subsection
- 1641 59-7-312(3)(b) or 59-7-315(3)(b), by one.
- 1642 (c) A taxpayer shall determine if the taxpayer is an optional apportionment taxpayer
- 1643 before the due date for filing the taxpayer's return under this chapter for the taxable
- 1644 year, including extensions.
- 1645 (4) A taxpayer that files a return as a unitary group for a taxable year is considered to be a
- 1646 unitary group for that taxable year.
- 1647 (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 1648 commission may define the term "economic activity" consistent with the use of the term
- 1649 "activity" in the 2007 North American Industry Classification System of the federal
- 1650 Executive Office of the President, Office of Management and Budget.
- 1651 **Section 19. Effective Date.**
- 1652 This bill takes effect on July 1, 2025.