

CHANGES TO PROPERTY TAX

2018 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Daniel McCay

Senate Sponsor: Curtis S. Bramble

LONG TITLE

General Description:

This bill modifies property tax provisions.

Highlighted Provisions:

This bill:

- ▶ modifies the calculation of the certified property tax rate by adjusting eligible new growth to account for collection rates over the previous five years;
- ▶ amends the time period in which a taxpayer or a county may apply to the State Tax Commission to appeal the valuation of property assessed by the commission;
- ▶ requires the commission to disclose, upon request, certain information regarding appeals to a nonprofit organization that represents counties;
- ▶ prohibits the nonprofit organization from sharing the appeal information with exceptions; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

59-1-404, as last amended by Laws of Utah 2011, Chapter 289

59-2-913, as last amended by Laws of Utah 2016, Chapters 350 and 367

29 [59-2-924](#), as last amended by Laws of Utah 2017, Chapter 390

30 [59-2-1007](#), as last amended by Laws of Utah 2015, Chapter 139

31

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

33 Section 1. Section **59-1-404** is amended to read:

34 **59-1-404. Definitions -- Confidentiality of commercial information obtained from**
35 **a property taxpayer or derived from the commercial information -- Rulemaking**
36 **authority -- Exceptions -- Written explanation -- Signature requirements -- Retention of**
37 **signed explanation by employer -- Penalty.**

38 (1) As used in this section:

39 (a) "Appraiser" means an individual who holds an appraiser's certificate or license
40 issued by the Division of Real Estate under Title 61, Chapter 2g, Real Estate Appraiser
41 Licensing and Certification Act and includes an individual associated with an appraiser who
42 assists the appraiser in preparing an appraisal.

43 (b) "Appraisal" is as defined in Section [61-2g-102](#).

44 (c) (i) "Commercial information" means:

45 (A) information of a commercial nature obtained from a property taxpayer regarding
46 the property taxpayer's property; or

47 (B) information derived from the information described in this Subsection (1)(c)(i).

48 (ii) (A) "Commercial information" does not include information regarding a property
49 taxpayer's property if the information is intended for public use.

50 (B) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, for
51 purposes of Subsection (1)(c)(ii)(A), the commission may by rule prescribe the circumstances
52 under which information is intended for public use.

53 (d) "Consultation service" is as defined in Section [61-2g-102](#).

54 (e) "Locally assessed property" means property that is assessed by a county assessor in
55 accordance with Chapter 2, Part 3, County Assessment.

- 56 (f) "Property taxpayer" means a person that:
- 57 (i) is a property owner; or
- 58 (ii) has in effect a contract with a property owner to:
- 59 (A) make filings on behalf of the property owner;
- 60 (B) process appeals on behalf of the property owner; or
- 61 (C) pay a tax under Chapter 2, Property Tax Act, on the property owner's property.
- 62 (g) "Property taxpayer's property" means property with respect to which a property
- 63 taxpayer:
- 64 (i) owns the property;
- 65 (ii) makes filings relating to the property;
- 66 (iii) processes appeals relating to the property; or
- 67 (iv) pays a tax under Chapter 2, Property Tax Act, on the property.
- 68 (h) "Protected commercial information" means commercial information that:
- 69 (i) identifies a specific property taxpayer; or
- 70 (ii) would reasonably lead to the identity of a specific property taxpayer.
- 71 (2) An individual listed under Subsection 59-1-403(1)(a) may not disclose commercial
- 72 information:
- 73 (a) obtained in the course of performing any duty that the individual listed under
- 74 Subsection 59-1-403(1)(a) performs under Chapter 2, Property Tax Act; or
- 75 (b) relating to an action or proceeding:
- 76 (i) with respect to a tax imposed on property in accordance with Chapter 2, Property
- 77 Tax Act; and
- 78 (ii) that is filed in accordance with:
- 79 (A) this chapter;
- 80 (B) Chapter 2, Property Tax Act; or
- 81 (C) this chapter and Chapter 2, Property Tax Act.
- 82 (3) (a) Notwithstanding Subsection (2) and subject to Subsection (3)[(b)](c), an

83 individual listed under Subsection 59-1-403(1)(a) may disclose the following information:

- 84 (i) the assessed value of property;
- 85 (ii) the tax rate imposed on property;
- 86 (iii) a legal description of property;
- 87 (iv) the physical description or characteristics of property, including a street address or
88 parcel number for the property;
- 89 (v) the square footage or acreage of property;
- 90 (vi) the square footage of improvements on property;
- 91 (vii) the name of a property taxpayer;
- 92 (viii) the mailing address of a property taxpayer;
- 93 (ix) the amount of a property tax:
 - 94 (A) assessed on property;
 - 95 (B) due on property;
 - 96 (C) collected on property;
 - 97 (D) abated on property; or
 - 98 (E) deferred on property;
- 99 (x) the amount of the following relating to property taxes due on property:
 - 100 (A) interest;
 - 101 (B) costs; or
 - 102 (C) other charges;
- 103 (xi) the tax status of property, including:
 - 104 (A) an exemption;
 - 105 (B) a property classification;
 - 106 (C) a bankruptcy filing; or
 - 107 (D) whether the property is the subject of an action or proceeding under this title;
- 108 (xii) information relating to a tax sale of property; or
- 109 (xiii) information relating to single-family residential property.

110 (b) Notwithstanding Subsection (2) and subject to Subsection (3)(c), an individual
111 listed under Subsection 59-1-403(1)(a) shall disclose, upon request, the information described
112 in Subsection 59-2-1007(9).

113 ~~[(b)]~~ (c) (i) Subject to Subsection (3)~~[(b)]~~(c)(ii), a person may receive the information
114 described in Subsection (3)(a) or (b) in written format.

115 (ii) The following may charge a reasonable fee to cover the actual cost of providing the
116 information described in Subsection (3)(a) or (b) in written format:

117 (A) the commission;

118 (B) a county;

119 (C) a city; or

120 (D) a town.

121 (4) (a) Notwithstanding Subsection (2) and except as provided in Subsection (4)(c), an
122 individual listed under Subsection 59-1-403(1)(a) shall disclose commercial information:

123 (i) in accordance with judicial order;

124 (ii) on behalf of the commission in any action or proceeding:

125 (A) under this title;

126 (B) under another law under which a property taxpayer is required to disclose
127 commercial information; or

128 (C) to which the commission is a party;

129 (iii) on behalf of any party to any action or proceeding under this title if the commercial
130 information is directly involved in the action or proceeding; or

131 (iv) if the requirements of Subsection (4)(b) are met, that is:

132 (A) relevant to an action or proceeding:

133 (I) filed in accordance with this title; and

134 (II) involving property; or

135 (B) in preparation for an action or proceeding involving property.

136 (b) Commercial information shall be disclosed in accordance with Subsection

137 (4)(a)(iv):
138 (i) if the commercial information is obtained from:
139 (A) a real estate agent if the real estate agent is not a property taxpayer of the property
140 that is the subject of the action or proceeding;
141 (B) an appraiser if the appraiser:
142 (I) is not a property taxpayer of the property that is the subject of the action or
143 proceeding; and
144 (II) did not receive the commercial information pursuant to Subsection (8);
145 (C) a property manager if the property manager is not a property taxpayer of the
146 property that is the subject of the action or proceeding; or
147 (D) a property taxpayer other than a property taxpayer of the property that is the subject
148 of the action or proceeding;
149 (ii) regardless of whether the commercial information is disclosed in more than one
150 action or proceeding; and
151 (iii) (A) if a county board of equalization conducts the action or proceeding, the county
152 board of equalization takes action to provide that any commercial information disclosed during
153 the action or proceeding may not be disclosed by any person conducting or participating in the
154 action or proceeding except as specifically allowed by this section;
155 (B) if the commission conducts the action or proceeding, the commission enters a
156 protective order or, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking
157 Act, makes rules specifying that any commercial information disclosed during the action or
158 proceeding may not be disclosed by any person conducting or participating in the action or
159 proceeding except as specifically allowed by this section; or
160 (C) if a court of competent jurisdiction conducts the action or proceeding, the court
161 enters a protective order specifying that any commercial information disclosed during the
162 action or proceeding may not be disclosed by any person conducting or participating in the
163 action or proceeding except as specifically allowed by this section.

164 (c) Notwithstanding Subsection (4)(a), a court may require the production of, and may
165 admit in evidence, commercial information that is specifically pertinent to the action or
166 proceeding.

167 (5) Notwithstanding Subsection (2), this section does not prohibit:

168 (a) the following from receiving a copy of any commercial information relating to the
169 basis for assessing a tax that is charged to a property taxpayer:

170 (i) the property taxpayer;

171 (ii) a duly authorized representative of the property taxpayer;

172 (iii) a person that has in effect a contract with the property taxpayer to:

173 (A) make filings on behalf of the property taxpayer;

174 (B) process appeals on behalf of the property taxpayer; or

175 (C) pay a tax under Chapter 2, Property Tax Act, on the property taxpayer's property;

176 (iv) a property taxpayer that purchases property from another property taxpayer; or

177 (v) a person that the property taxpayer designates in writing as being authorized to
178 receive the commercial information;

179 (b) the publication of statistics as long as the statistics are classified to prevent the
180 identification of a particular property taxpayer's commercial information; or

181 (c) the inspection by the attorney general or other legal representative of the state or a
182 legal representative of a political subdivision of the state of the commercial information of a
183 property taxpayer:

184 (i) that brings action to set aside or review a tax or property valuation based on the
185 commercial information;

186 (ii) against which an action or proceeding is contemplated or has been instituted under
187 this title; or

188 (iii) against which the state or a political subdivision of the state has an unsatisfied
189 money judgment.

190 (6) Notwithstanding Subsection (2), in accordance with Title 63G, Chapter 3, Utah

191 Administrative Rulemaking Act, the commission may by rule establish standards authorizing
192 an individual listed under Subsection 59-1-403(1)(a) to disclose commercial information:

193 (a) (i) in a published decision; or

194 (ii) in carrying out official duties; and

195 (b) if that individual listed under Subsection 59-1-403(1)(a) consults with the property
196 taxpayer that provided the commercial information.

197 (7) Notwithstanding Subsection (2):

198 (a) an individual listed under Subsection 59-1-403(1)(a) may share commercial
199 information with the following:

200 (i) another individual listed in Subsection 59-1-403(1)(a)(i) or (ii); or

201 (ii) a representative, agent, clerk, or other officer or employee of a county as required
202 to fulfill an obligation created by Chapter 2, Property Tax Act;

203 (b) an individual listed under Subsection 59-1-403(1)(a) may perform the following to
204 fulfill an obligation created by Chapter 2, Property Tax Act:

205 (i) publish notice;

206 (ii) provide notice; or

207 (iii) file a lien; or

208 (c) the commission may by rule, made in accordance with Title 63G, Chapter 3, Utah
209 Administrative Rulemaking Act, share commercial information gathered from returns and other
210 written statements with the federal government, any other state, any of the political
211 subdivisions of another state, or any political subdivision of this state, if these political
212 subdivisions or the federal government grant substantially similar privileges to this state.

213 (8) Notwithstanding Subsection (2):

214 (a) subject to the limitations in this section, an individual described in Subsection
215 59-1-403(1)(a) may share the following commercial information with an appraiser:

216 (i) the sales price of locally assessed property and the related financing terms;

217 (ii) capitalization rates and related rates and ratios related to the valuation of locally

218 assessed property; and
219 (iii) income and expense information related to the valuation of locally assessed
220 property; and
221 (b) except as provided in Subsection (4), an appraiser who receives commercial
222 information:
223 (i) may disclose the commercial information:
224 (A) to an individual described in Subsection 59-1-403(1)(a);
225 (B) to an appraiser;
226 (C) in an appraisal if protected commercial information is removed to protect its
227 confidential nature; or
228 (D) in performing a consultation service if protected commercial information is not
229 disclosed; and
230 (ii) may not use the commercial information:
231 (A) for a purpose other than to prepare an appraisal or perform a consultation service;
232 or
233 (B) for a purpose intended to be, or which could reasonably be foreseen to be,
234 anti-competitive to a property taxpayer.
235 (9) (a) The commission shall:
236 (i) prepare a written explanation of this section; and
237 (ii) make the written explanation described in Subsection (9)(a)(i) available to the
238 public.
239 (b) An employer of a person described in Subsection 59-1-403(1)(a) shall:
240 (i) provide the written explanation described in Subsection (9)(a)(i) to each person
241 described in Subsection 59-1-403(1)(a) who is reasonably likely to receive commercial
242 information;
243 (ii) require each person who receives a written explanation in accordance with
244 Subsection (9)(b)(i) to:

245 (A) read the written explanation; and
246 (B) sign the written explanation; and
247 (iii) retain each written explanation that is signed in accordance with Subsection
248 (9)(b)(ii) for a time period:
249 (A) beginning on the day on which a person signs the written explanation in
250 accordance with Subsection (9)(b)(ii); and
251 (B) ending six years after the day on which the employment of the person described in
252 Subsection (9)(b)(iii)(A) by the employer terminates.
253 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
254 commission shall by rule define "employer."
255 (10) (a) An individual described in Subsection (1)(a) or 59-1-403(1)(a), or an
256 individual that violates a protective order or similar limitation entered pursuant to Subsection
257 (4)(b)(iii), is guilty of a class A misdemeanor if that person:
258 (i) intentionally discloses commercial information in violation of this section; and
259 (ii) knows that the disclosure described in Subsection (10)(a)(i) is prohibited by this
260 section.
261 (b) If the individual described in Subsection (10)(a) is an officer or employee of the
262 state or a county and is convicted of violating this section, the individual shall be dismissed
263 from office and be disqualified from holding public office in this state for a period of five years
264 thereafter.
265 (c) If the individual described in Subsection (10)(a) is an appraiser, the appraiser shall
266 forfeit any certification or license received under Title 61, Chapter 2g, Real Estate Appraiser
267 Licensing and Certification Act, for a period of five years.
268 (d) If the individual described in Subsection (10)(a) is an individual associated with an
269 appraiser who assists the appraiser in preparing appraisals, the individual shall be prohibited
270 from becoming licensed or certified under Title 61, Chapter 2g, Real Estate Appraiser
271 Licensing and Certification Act, for a period of five years.

272 Section 2. Section **59-2-913** is amended to read:

273 **59-2-913. Definitions -- Statement of amount and purpose of levy -- Contents of**
274 **statement -- Filing with county auditor -- Transmittal to commission -- Calculations for**
275 **establishing tax levies -- Format of statement.**

276 (1) As used in this section, "budgeted property tax revenues" does not include property
277 tax revenue received by a taxing entity from personal property that is:

- 278 (a) assessed by a county assessor in accordance with Part 3, County Assessment; and
- 279 (b) semiconductor manufacturing equipment.

280 (2) (a) The legislative body of each taxing entity shall file a statement as provided in
281 this section with the county auditor of the county in which the taxing entity is located.

282 (b) The auditor shall annually transmit the statement to the commission:

283 (i) before June 22; or

284 (ii) with the approval of the commission, on a subsequent date prior to the date
285 required by Section [59-2-1317](#) for the county treasurer to provide the notice under Section
286 [59-2-1317](#).

287 (c) The statement shall contain the amount and purpose of each levy fixed by the
288 legislative body of the taxing entity.

289 (3) For purposes of establishing the levy set for each of a taxing entity's applicable
290 funds, the legislative body of the taxing entity shall calculate an amount determined by dividing
291 the budgeted property tax revenues, specified in a budget that has been adopted and approved
292 prior to setting the levy, by the amount calculated under Subsections [59-2-924\(4\)\(b\)\(i\)](#) through
293 ~~[(iii)]~~ (iv).

294 (4) The format of the statement under this section shall:

295 (a) be determined by the commission; and

296 (b) cite any applicable statutory provisions that:

297 (i) require a specific levy; or

298 (ii) limit the property tax levy for any taxing entity.

299 (5) The commission may require certification that the information submitted on a
300 statement under this section is true and correct.

301 Section 3. Section **59-2-924** is amended to read:

302 **59-2-924. Definitions -- Report of valuation of property to county auditor and**
303 **commission -- Transmittal by auditor to governing bodies -- Calculation of certified tax**
304 **rate -- Rulemaking authority -- Adoption of tentative budget -- Notice provided by the**
305 **commission.**

306 (1) As used in this section:

307 (a) (i) "Ad valorem property tax revenue" means revenue collected in accordance with
308 this chapter.

309 (ii) "Ad valorem property tax revenue" does not include:

310 (A) interest;

311 (B) penalties;

312 (C) collections from redemptions; or

313 (D) revenue received by a taxing entity from personal property that is semiconductor
314 manufacturing equipment assessed by a county assessor in accordance with Part 3, County
315 Assessment.

316 (b) (i) "Aggregate taxable value of all property taxed" means:

317 (A) the aggregate taxable value of all real property a county assessor assesses in
318 accordance with Part 3, County Assessment, for the current year;

319 (B) the aggregate taxable value of all real and personal property the commission
320 assesses in accordance with Part 2, Assessment of Property, for the current year; and

321 (C) the aggregate year end taxable value of all personal property a county assessor
322 assesses in accordance with Part 3, County Assessment, contained on the prior year's tax rolls
323 of the taxing entity.

324 (ii) "Aggregate taxable value of all property taxed" does not include the aggregate year
325 end taxable value of personal property that is:

- 326 (A) semiconductor manufacturing equipment assessed by a county assessor in
327 accordance with Part 3, County Assessment; and
- 328 (B) contained on the prior year's tax rolls of the taxing entity.
- 329 (c) "Centrally assessed benchmark value" means an amount equal to the highest year
330 end taxable value of real and personal property the commission assesses in accordance with
331 Part 2, Assessment of Property, for a previous calendar year that begins on or after January 1,
332 2015, adjusted for taxable value attributable to:
- 333 (i) an annexation to a taxing entity; or
- 334 (ii) an incorrect allocation of taxable value of real or personal property the commission
335 assesses in accordance with Part 2, Assessment of Property.
- 336 (d) (i) "Centrally assessed new growth" means the greater of:
- 337 (A) zero; or
- 338 (B) the amount calculated by subtracting the centrally assessed benchmark value
339 adjusted for prior year end incremental value from the taxable value of real and personal
340 property the commission assesses in accordance with Part 2, Assessment of Property, for the
341 current year, adjusted for current year incremental value.
- 342 (ii) "Centrally assessed new growth" does not include a change in value as a result of a
343 change in the method of apportioning the value prescribed by the Legislature, a court, or the
344 commission in an administrative rule or administrative order.
- 345 (e) "Certified tax rate" means a tax rate that will provide the same ad valorem property
346 tax revenue for a taxing entity as was budgeted by that taxing entity for the prior year.
- 347 (f) "Eligible new growth" means the greater of:
- 348 (i) zero; or
- 349 (ii) the sum of:
- 350 (A) locally assessed new growth;
- 351 (B) centrally assessed new growth; and
- 352 (C) project area new growth.

353 (g) "Incremental value" means the same as that term is defined in Section 17C-1-102.

354 (h) (i) "Locally assessed new growth" means the greater of:

355 (A) zero; or

356 (B) the amount calculated by subtracting the year end taxable value of real property the
357 county assessor assesses in accordance with Part 3, County Assessment, for the previous year,
358 adjusted for prior year end incremental value from the taxable value of real property the county
359 assessor assesses in accordance with Part 3, County Assessment, for the current year, adjusted
360 for current year incremental value.

361 (ii) "Locally assessed new growth" does not include a change in:

362 (A) value as a result of factoring in accordance with Section 59-2-704, reappraisal, or
363 another adjustment;

364 (B) assessed value based on whether a property is allowed a residential exemption for a
365 primary residence under Section 59-2-103;

366 (C) assessed value based on whether a property is assessed under Part 5, Farmland
367 Assessment Act; or

368 (D) assessed value based on whether a property is assessed under Part 17, Urban
369 Farming Assessment Act.

370 (i) "Project area" means the same as that term is defined in Section 17C-1-102.

371 (j) "Project area new growth" means an amount equal to the incremental value that is
372 no longer provided to an agency as tax increment.

373 (2) Before June 1 of each year, the county assessor of each county shall deliver to the
374 county auditor and the commission the following statements:

375 (a) a statement containing the aggregate valuation of all taxable real property a county
376 assessor assesses in accordance with Part 3, County Assessment, for each taxing entity; and

377 (b) a statement containing the taxable value of all personal property a county assessor
378 assesses in accordance with Part 3, County Assessment, from the prior year end values.

379 (3) The county auditor shall, on or before June 8, transmit to the governing body of

380 each taxing entity:

381 (a) the statements described in Subsections (2)(a) and (b);

382 (b) an estimate of the revenue from personal property;

383 (c) the certified tax rate; and

384 (d) all forms necessary to submit a tax levy request.

385 (4) (a) Except as otherwise provided in this section, the certified tax rate shall be
386 calculated by dividing the ad valorem property tax revenue that a taxing entity budgeted for the
387 prior year by the amount calculated under Subsection (4)(b).

388 (b) For purposes of Subsection (4)(a), the legislative body of a taxing entity shall
389 calculate an amount as follows:

390 (i) calculate for the taxing entity the difference between:

391 (A) the aggregate taxable value of all property taxed; and

392 (B) any adjustments for current year incremental value;

393 (ii) after making the calculation required by Subsection (4)(b)(i), calculate an amount
394 determined by increasing or decreasing the amount calculated under Subsection (4)(b)(i) by the
395 average of the percentage net change in the value of taxable property for the equalization
396 period for the three calendar years immediately preceding the current calendar year;

397 (iii) after making the calculation required by Subsection (4)(b)(ii), calculate the product
398 of:

399 (A) the amount calculated under Subsection (4)(b)(ii); and

400 (B) the percentage of property taxes collected for the five calendar years immediately
401 preceding the current calendar year; and

402 (iv) after making the calculation required by Subsection (4)(b)(iii), calculate an amount
403 determined by:

404 (A) multiplying the percentage of property taxes collected for the five calendar years
405 immediately preceding the current calendar year by eligible new growth; and

406 (B) subtracting [eligible new growth] the amount calculated under Subsection

407 (4)(b)(iv)(A) from the amount calculated under Subsection (4)(b)(iii).

408 (5) A certified tax rate for a taxing entity described in this Subsection (5) shall be
409 calculated as follows:

410 (a) except as provided in Subsection (5)(b), for a new taxing entity, the certified tax
411 rate is zero;

412 (b) for a municipality incorporated on or after July 1, 1996, the certified tax rate is:

413 (i) in a county of the first, second, or third class, the levy imposed for municipal-type
414 services under Sections 17-34-1 and 17-36-9; and

415 (ii) in a county of the fourth, fifth, or sixth class, the levy imposed for general county
416 purposes and such other levies imposed solely for the municipal-type services identified in
417 Section 17-34-1 and Subsection 17-36-3(22); and

418 (c) for debt service voted on by the public, the certified tax rate is the actual levy
419 imposed by that section, except that a certified tax rate for the following levies shall be
420 calculated in accordance with Section 59-2-913 and this section:

421 (i) a school levy provided for under Section 53A-16-113, 53A-17a-133, or
422 53A-17a-164; and

423 (ii) a levy to pay for the costs of state legislative mandates or judicial or administrative
424 orders under Section 59-2-1602.

425 (6) (a) A judgment levy imposed under Section 59-2-1328 or 59-2-1330 may be
426 imposed at a rate that is sufficient to generate only the revenue required to satisfy one or more
427 eligible judgments.

428 (b) The ad valorem property tax revenue generated by a judgment levy described in
429 Subsection (6)(a) may not be considered in establishing a taxing entity's aggregate certified tax
430 rate.

431 (7) (a) For the purpose of calculating the certified tax rate, the county auditor shall use:

432 (i) the taxable value of real property:

433 (A) the county assessor assesses in accordance with Part 3, County Assessment; and

434 (B) contained on the assessment roll;

435 (ii) the year end taxable value of personal property:

436 (A) a county assessor assesses in accordance with Part 3, County Assessment; and

437 (B) contained on the prior year's assessment roll; and

438 (iii) the taxable value of real and personal property the commission assesses in

439 accordance with Part 2, Assessment of Property.

440 (b) For purposes of Subsection (7)(a), taxable value does not include eligible new

441 growth.

442 (8) (a) On or before June 22, a taxing entity shall annually adopt a tentative budget.

443 (b) If a taxing entity intends to exceed the certified tax rate, the taxing entity shall

444 notify the county auditor of:

445 (i) the taxing entity's intent to exceed the certified tax rate; and

446 (ii) the amount by which the taxing entity proposes to exceed the certified tax rate.

447 (c) The county auditor shall notify property owners of any intent to levy a tax rate that

448 exceeds the certified tax rate in accordance with Sections [59-2-919](#) and [59-2-919.1](#).

449 (9) (a) Subject to Subsection (9)(d), the commission shall provide notice, through

450 electronic means on or before July 31, to a taxing entity and the Revenue and Taxation Interim

451 Committee if:

452 (i) the amount calculated under Subsection (9)(b) is 10% or more of the year end

453 taxable value of the real and personal property the commission assesses in accordance with

454 Part 2, Assessment of Property, for the previous year, adjusted for prior year end incremental

455 value; and

456 (ii) the amount calculated under Subsection (9)(c) is 50% or more of the total year end

457 taxable value of the real and personal property of a taxpayer the commission assesses in

458 accordance with Part 2, Assessment of Property, for the previous year.

459 (b) For purposes of Subsection (9)(a)(i), the commission shall calculate an amount by

460 subtracting the taxable value of real and personal property the commission assesses in

461 accordance with Part 2, Assessment of Property, for the current year, adjusted for current year
462 incremental value, from the year end taxable value of the real and personal property the
463 commission assesses in accordance with Part 2, Assessment of Property, for the previous year,
464 adjusted for prior year end incremental value.

465 (c) For purposes of Subsection (9)(a)(ii), the commission shall calculate an amount by
466 subtracting the total taxable value of real and personal property of a taxpayer the commission
467 assesses in accordance with Part 2, Assessment of Property, for the current year, from the total
468 year end taxable value of the real and personal property of a taxpayer the commission assesses
469 in accordance with Part 2, Assessment of Property, for the previous year.

470 (d) The notification under Subsection (9)(a) shall include a list of taxpayers that meet
471 the requirement under Subsection (9)(a)(ii).

472 Section 4. Section **59-2-1007** is amended to read:

473 **59-2-1007. Objection to assessment by commission -- Application -- Contents of**
474 **application -- Amending an application -- Information provided by the commission --**
475 **Hearings -- Appeals.**

476 (1) (a) Subject to the other provisions of this section, if the owner of property assessed
477 by the commission objects to the assessment, the owner may apply to the commission for a
478 hearing on the objection on or before the later of:

479 (i) ~~June~~ August 1; or

480 (ii) ~~30~~ 90 days after the ~~date~~ day on which the commission mails the notice of
481 assessment in accordance with Section [59-2-201](#).

482 (b) The commission shall allow an owner that meets the requirements of Subsection
483 (1)(a) to be a party at a hearing under this section.

484 (2) Subject to the other provisions of this section, a county that objects to the
485 assessment of property assessed by the commission may apply to the commission for a hearing
486 on the objection:

487 (a) for an assessment with respect to which the owner has applied to the commission

488 for a hearing on the objection under Subsection (1), if the county applies to the commission to
489 become a party to the hearing on the objection no later than [~~30~~] 60 days after the [~~date~~] day on
490 which the owner applied to the commission for the hearing on the objection; or

491 (b) for an assessment with respect to which the owner has not applied to the
492 commission for a hearing on the objection under Subsection (1), if the county:

493 (i) reasonably believes that the commission should have assessed the property for the
494 current calendar year at a fair market value that is at least the lesser of an amount that is:

495 (A) 50% greater than the value at which the commission is assessing the property for
496 the current calendar year; or

497 (B) 50% greater than the value at which the commission assessed the property for the
498 prior calendar year; and

499 (ii) applies to the commission for a hearing on the objection no later than [~~30~~] 60 days
500 after the last day on which the owner could have applied to the commission for a hearing on the
501 objection under Subsection (1).

502 (3) Before a county may apply to the commission for a hearing under this section on an
503 objection to an assessment, a majority of the members of the county legislative body shall
504 approve filing an application under this section.

505 (4) (a) The commission shall allow a county that meets the requirements of
506 Subsections (2) and (3) to be a party at a hearing under this section.

507 (b) The commission shall allow an owner to be a party at a hearing under this section
508 on an objection to an assessment a county files in accordance with Subsection (2)(b).

509 (5) An owner or a county shall include in an application under this section:

510 (a) a written statement:

511 (i) setting forth the known facts and legal basis supporting a different fair market value
512 than the value assessed by the commission; and

513 (ii) for an assessment described in Subsection (2)(b), establishing the county's
514 reasonable belief that the commission should have assessed the property for the current

515 calendar year at a fair market value that is at least the lesser of an amount that is:

516 (A) 50% greater than the value at which the commission is assessing the property for
517 the current calendar year; or

518 (B) 50% greater than the value at which the commission assessed the property for the
519 prior calendar year; and

520 (b) the owner's or county's estimate of the fair market value of the property.

521 (6) (a) Except as provided in Subsection (6)(b), an [~~owner's or a county's~~] owner or a
522 county assessor may amend an estimate on an application under this section of the fair market
523 value of the property [~~may be amended~~] prior to the hearing as provided by rule.

524 (b) A county may not amend the fair market value of property under this Subsection (6)
525 to equal an amount that is less than the lesser of:

526 (i) the value at which the commission is assessing the property for the current calendar
527 year plus 50%; or

528 (ii) the value at which the commission assessed the property for the prior calendar year
529 plus 50%.

530 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
531 commission may make rules governing the procedures for amending an estimate of fair market
532 value under this Subsection (6).

533 (7) In applying to the commission for a hearing on an objection under this section:

534 (a) a county may estimate the fair market value of the property using a valuation
535 methodology the county considers to be appropriate, regardless of:

536 (i) the valuation methodology used previously in valuing the property; or

537 (ii) the valuation methodology an owner asserts; and

538 (b) an owner may estimate the fair market value of the property using a valuation
539 methodology the owner considers to be appropriate, regardless of:

540 (i) the valuation methodology used previously in valuing the property; or

541 (ii) the valuation methodology a county asserts.

542 (8) (a) An owner who applies to the commission for a hearing in accordance with
543 Subsection (1) shall, for the property for which the owner objects to the commission's
544 assessment, file a copy of the application with the county auditor of each county in which the
545 property is located.

546 (b) A county auditor who receives a copy of an application in accordance with
547 Subsection (8)(a) shall provide a copy of the application to the county:

- 548 (i) assessor;
- 549 (ii) attorney;
- 550 (iii) legislative body; and
- 551 (iv) treasurer.

552 (9) (a) Upon request, the commission shall provide to a nonprofit organization that
553 represents counties in the state the following information regarding an appeal filed under this
554 section:

- 555 (i) the name of the property owner filing the appeal;
- 556 (ii) each year at issue in the appeal;
- 557 (iii) the value assessed by the commission for the property that is the subject of the
558 appeal; and
- 559 (iv) the owner's estimate of value for the property that is the subject of the appeal as
560 submitted under Subsection (5)(b).

561 (b) (i) Except as provided in Subsection (9)(b)(ii), a nonprofit organization may not
562 disclose the information described in Subsection (9)(a)(iv).

563 (ii) A nonprofit organization may disclose information described in Subsection
564 (9)(a)(iv) to an individual listed under Subsection [59-1-403\(1\)\(a\)](#).

565 ~~(9)~~ (10) (a) On or before ~~August 1~~ November 15, the commission shall conduct a
566 scheduling conference with all parties to a hearing under this section.

567 (b) At the scheduling conference under Subsection ~~(9)~~ (10)(a), the commission shall
568 establish dates for:

569 (i) the completion of discovery;
570 (ii) the filing of prehearing motions; and
571 (iii) conducting a hearing on the objection to the assessment.
572 ~~[(10)]~~ (11) (a) The commission shall issue a written decision no later than 120 days
573 after the later of the ~~[date]~~ day on which:
574 (i) the commission completes the hearing under this section ~~[is completed]~~; or
575 (ii) the parties submit all posthearing briefs ~~[are submitted]~~.
576 (b) If the commission does not issue a written decision on an objection to an
577 assessment under this section within a two-year period after the date an application under this
578 section is filed, the objection is considered to be denied, unless the parties stipulate to a
579 different time period for resolving the objection.
580 (c) A party may appeal to the district court in accordance with Section 59-1-601 within
581 30 days after the ~~[date]~~ day on which an objection is considered to be denied.
582 ~~[(11)]~~ (12) At the hearing on an objection under this section, the commission may
583 increase, lower, or sustain the assessment if:
584 (a) the commission finds an error in the assessment; or
585 (b) the commission determines that increasing, lowering, or sustaining the assessment
586 is necessary to equalize the assessment with other similarly assessed property.
587 ~~[(12)]~~ (13) (a) The commission shall send notice of a commission action under
588 Subsection ~~[(11)]~~ (12) to a county auditor if:
589 (i) the commission proposes to adjust an assessment the commission made in
590 accordance with Section 59-2-201;
591 (ii) the county's tax revenues may be affected by the commission's decision; and
592 (iii) the county is not a party to the hearing under this section.
593 (b) The written notice described in Subsection ~~[(12)]~~ (13)(a):
594 (i) may be ~~[transmitted]~~ sent by:
595 (A) any form of electronic communication;

596 (B) first class mail; or
597 (C) private carrier; and
598 (ii) shall request the county to show good cause why the commission should not adjust
599 the assessment by requesting the county to provide to the commission a written statement
600 setting forth the known facts and legal basis for not adjusting the assessment within 30 days
601 ~~[from the date of]~~ after the day on which the commission sends the written notice.

602 (c) If a county provides a written statement described in Subsection ~~[(12)]~~ (13)(b) to
603 the commission, the commission shall:

604 (i) hold a hearing or take other appropriate action to consider the good cause the county
605 provides in the written statement; and

606 (ii) issue a written decision increasing, lowering, or sustaining the assessment.

607 (d) If a county does not provide a written statement described in Subsection ~~[(12)]~~
608 (13)(b) to the commission within 30 days after the day on which the commission sends the
609 notice described in Subsection ~~[(12)]~~ (13)(a), the commission shall adjust the assessment and
610 send a copy of the commission's written decision to the county.

611 ~~[(13)]~~ (14) Subsection ~~[(12)]~~ (13) does not limit the rights of a county as provided in
612 Subsections (2) and (4)(a).

613 ~~[(14)]~~ (15) (a) On or before the November 2018 interim meeting, the Revenue and
614 Taxation Interim Committee shall study the process for a county to object to an assessment of
615 property assessed by the commission.

616 (b) As part of the study required by Subsection ~~[(14)]~~ (15)(a), the Revenue and
617 Taxation Interim Committee shall determine whether to draft legislation to modify the process
618 for a county to object to an assessment of property assessed by the commission.