



28 (1) "Aerial applicator" means aircraft or rotorcraft used exclusively for the purpose of  
29 engaging in dispensing activities directly affecting agriculture or horticulture with an airworthiness  
30 certificate from the Federal Aviation Administration certifying the aircraft or rotorcraft's use for  
31 agricultural and pest control purposes.

32 (2) "Air charter service" means an air carrier operation which requires the customer to hire  
33 an entire aircraft rather than book passage in whatever capacity is available on a scheduled trip.

34 (3) "Air contract service" means an air carrier operation available only to customers who  
35 engage the services of the carrier through a contractual agreement and excess capacity on any trip  
36 and is not available to the public at large.

37 (4) "Aircraft" is as defined in Section 72-10-102.

38 (5) (a) Except as provided in Subsection (5)(b), "airline" means an air carrier that:

39 (i) operates:

40 (A) on an interstate route; and

41 (B) on a scheduled basis; and

42 (ii) offers to fly one or more passengers or cargo on the basis of available capacity on a  
43 regularly scheduled route.

44 (b) "Airline" does not include an:

45 (i) air charter service; or

46 (ii) air contract service.

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

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

52 (i) the amount of ad valorem property tax revenue to be generated statewide in the previous  
53 year from imposing a minimum basic tax rate, as specified in Subsection 53A-17a-135(1)(a); and

- 54 (ii) the product of:
- 55 (A) new growth, as defined in:
- 56 (I) Section 59-2-924; and
- 57 (II) rules of the commission; and
- 58 (B) the minimum basic tax rate certified by the commission for the previous year.
- 59 (b) For purposes of this Subsection (7), "ad valorem property tax revenue" does not include
- 60 property tax revenue received by a taxing entity from personal property that is:
- 61 (i) assessed by a county assessor in accordance with Part 3, County Assessment; and
- 62 (ii) semiconductor manufacturing equipment.
- 63 (c) For purposes of calculating the certified revenue levy described in this Subsection (7), the
- 64 commission shall use:
- 65 (i) the taxable value of real property assessed by a county assessor contained on the
- 66 assessment roll;
- 67 (ii) the taxable value of real and personal property assessed by the commission; and
- 68 (iii) the taxable year end value of personal property assessed by a county assessor contained
- 69 on the prior year's assessment roll.
- 70 (8) "County-assessed commercial vehicle" means:
- 71 (a) any commercial vehicle, trailer, or semitrailer which is not apportioned under Section
- 72 41-1a-301 and is not operated interstate to transport the vehicle owner's goods or property in
- 73 furtherance of the owner's commercial enterprise;
- 74 (b) any passenger vehicle owned by a business and used by its employees for transportation
- 75 as a company car or vanpool vehicle; and
- 76 (c) vehicles which are:
- 77 (i) especially constructed for towing or wrecking, and which are not otherwise used to
- 78 transport goods, merchandise, or people for compensation;
- 79 (ii) used or licensed as taxicabs or limousines;

- 80 (iii) used as rental passenger cars, travel trailers, or motor homes;
- 81 (iv) used or licensed in this state for use as ambulances or hearses;
- 82 (v) especially designed and used for garbage and rubbish collection; or
- 83 (vi) used exclusively to transport students or their instructors to or from any private, public,
- 84 or religious school or school activities.

85 (9) (a) Except as provided in Subsection (9)(b), for purposes of Section 59-2-801,  
86 "designated tax area" means a tax area created by the overlapping boundaries of only the following  
87 taxing entities:

- 88 (i) a county; and
- 89 (ii) a school district.

90 (b) Notwithstanding Subsection (9)(a), "designated tax area" includes a tax area created by  
91 the overlapping boundaries of:

- 92 (i) the taxing entities described in Subsection (9)(a); and
- 93 (ii) (A) a city or town if the boundaries of the school district under Subsection (9)(a) and the  
94 boundaries of the city or town are identical; or
- 95 (B) a special service district if the boundaries of the school district under Subsection (9)(a)  
96 are located entirely within the special service district.

97 (10) "Eligible judgment" means a final and unappealable judgment or order under Section  
98 59-2-1330:

- 99 (a) that became a final and unappealable judgment or order no more than 14 months prior to  
100 the day on which the notice required by Section 59-2-919.1 is required to be mailed; and
- 101 (b) for which a taxing entity's share of the final and unappealable judgment or order is greater  
102 than or equal to the lesser of:
  - 103 (i) \$5,000; or
  - 104 (ii) 2.5% of the total ad valorem property taxes collected by the taxing entity in the previous  
105 fiscal year.

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

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

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

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

114 (b) Property which is undervalued because of the use of a different valuation methodology or  
115 because of a different application of the same valuation methodology is not "escaped property."

116 (12) "Fair market value" means the amount at which property would change hands between  
117 a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having  
118 reasonable knowledge of the relevant facts. For purposes of taxation, "fair market value" shall be  
119 determined using the current zoning laws applicable to the property in question, except in cases where  
120 there is a reasonable probability of a change in the zoning laws affecting that property in the tax year  
121 in question and the change would have an appreciable influence upon the value.

122 (13) "Farm machinery and equipment," for purposes of the exemption provided under  
123 Section 59-2-1101, means tractors, milking equipment and storage and cooling facilities, feed  
124 handling equipment, irrigation equipment, harvesters, choppers, grain drills and planters, tillage tools,  
125 scales, combines, spreaders, sprayers, haying equipment, and any other machinery or equipment used  
126 primarily for agricultural purposes; but does not include vehicles required to be registered with the  
127 Motor Vehicle Division or vehicles or other equipment used for business purposes other than farming.

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

130 (15) "Geothermal resource" means:

131 (a) the natural heat of the earth at temperatures greater than 120 degrees centigrade; and

132 (b) the energy, in whatever form, including pressure, present in, resulting from, created by, or  
133 which may be extracted from that natural heat, directly or through a material medium.

134 (16) (a) "Goodwill" means:

135 (i) acquired goodwill that is reported as goodwill on the books and records:

136 (A) of a taxpayer; and

137 (B) that are maintained for financial reporting purposes; or

138 (ii) the ability of a business to:

139 (A) generate income:

140 (I) that exceeds a normal rate of return on assets; and

141 (II) resulting from a factor described in Subsection (16)(b); or

142 (B) obtain an economic or competitive advantage resulting from a factor described in

143 Subsection (16)(b).

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

145 (i) superior management skills;

146 (ii) reputation;

147 (iii) customer relationships;

148 (iv) patronage; or

149 (v) a factor similar to Subsections (16)(b)(i) through (iv).

150 (c) "Goodwill" does not include:

151 (i) the intangible property described in Subsection (20)(a) or (b);

152 (ii) locational attributes of real property, including:

153 (A) zoning;

154 (B) location;

155 (C) view;

156 (D) a geographic feature;

157 (E) an easement;

- 158 (F) a covenant;
- 159 (G) proximity to raw materials;
- 160 (H) the condition of surrounding property; or
- 161 (I) proximity to markets;
- 162 (iii) value attributable to the identification of an improvement to real property, including:
- 163 (A) reputation of the designer, builder, or architect of the improvement;
- 164 (B) a name given to, or associated with, the improvement; or
- 165 (C) the historic significance of an improvement; or
- 166 (iv) the enhancement or assemblage value specifically attributable to the interrelation of the
- 167 existing tangible property in place working together as a unit.
- 168 (17) "Governing body" means:
- 169 (a) for a county, city, or town, the legislative body of the county, city, or town;
- 170 (b) for a local district under Title 17B, Limited Purpose Local Government Entities - Local
- 171 Districts, the local district's board of trustees;
- 172 (c) for a school district, the local board of education; or
- 173 (d) for a special service district under Title 17D, Chapter 1, Special Service District Act:
- 174 (i) the legislative body of the county or municipality that created the special service district, to
- 175 the extent that the county or municipal legislative body has not delegated authority to an administrative
- 176 control board established under Section 17D-1-301; or
- 177 (ii) the administrative control board, to the extent that the county or municipal legislative body
- 178 has delegated authority to an administrative control board established under Section 17D-1-301.
- 179 (18) (a) For purposes of Section 59-2-103:
- 180 (i) "household" means the association of persons who live in the same dwelling, sharing its
- 181 furnishings, facilities, accommodations, and expenses; and
- 182 (ii) "household" includes married individuals, who are not legally separated, that have
- 183 established domiciles at separate locations within the state.

184 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
185 commission may make rules defining the term "domicile."

186 (19) (a) Except as provided in Subsection (19)(c), "improvement" means a building,  
187 structure, fixture, fence, or other item that is permanently attached to land, regardless of whether the  
188 title has been acquired to the land, if:

189 (i) (A) attachment to land is essential to the operation or use of the item; and

190 (B) the manner of attachment to land suggests that the item will remain attached to the land in  
191 the same place over the useful life of the item; or

192 (ii) removal of the item would:

193 (A) cause substantial damage to the item; or

194 (B) require substantial alteration or repair of a structure to which the item is attached.

195 (b) "Improvement" includes:

196 (i) an accessory to an item described in Subsection (19)(a) if the accessory is:

197 (A) essential to the operation of the item described in Subsection (19)(a); and

198 (B) installed solely to serve the operation of the item described in Subsection (19)(a); and

199 (ii) an item described in Subsection (19)(a) that:

200 (A) is temporarily detached from the land for repairs; and

201 (B) remains located on the land.

202 (c) Notwithstanding Subsections (19)(a) and (b), "improvement" does not include:

203 (i) an item considered to be personal property pursuant to rules made in accordance with  
204 Section 59-2-107;

205 (ii) a moveable item that is attached to land:

206 (A) for stability only; or

207 (B) for an obvious temporary purpose;

208 (iii) (A) manufacturing equipment and machinery; or

209 (B) essential accessories to manufacturing equipment and machinery;



210 (iv) an item attached to the land in a manner that facilitates removal without substantial  
211 damage to:

212 (A) the land; or

213 (B) the item; or

214 (v) a transportable factory-built housing unit as defined in Section 59-2-1502 if that  
215 transportable factory-built housing unit is considered to be personal property under Section  
216 59-2-1503.

217 (20) "Intangible property" means:

218 (a) property that is capable of private ownership separate from tangible property, including:

219 (i) moneys;

220 (ii) credits;

221 (iii) bonds;

222 (iv) stocks;

223 (v) representative property;

224 (vi) franchises;

225 (vii) licenses;

226 (viii) trade names;

227 (ix) copyrights; and

228 (x) patents;

229 (b) a low-income housing tax credit; [~~or~~]

230 (c) goodwill[~~;~~]; or

231 (d) a renewable energy tax credit or incentive, including:

232 (i) a federal renewable energy production tax credit under Section 45, Internal Revenue  
233 Code;

234 (ii) a federal energy credit for qualified renewable electricity production facilities under  
235 Section 48, Internal Revenue Code;

- 236            (iii) a federal grant for a renewable energy property under American Recovery and  
237 Reinvestment Act of 2009, Pub. L. No. 111-5, Section 1603; and  
238            (iv) a tax credit under Subsection 59-7-614(2)(c).
- 239            (21) "Low-income housing tax credit" means:  
240            (a) a federal low-income housing tax credit under Section 42, Internal Revenue Code; or  
241            (b) a low-income housing tax credit under:  
242            (i) Section 59-7-607; or  
243            (ii) Section 59-10-1010.
- 244            (22) "Metalliferous minerals" includes gold, silver, copper, lead, zinc, and uranium.
- 245            (23) "Mine" means a natural deposit of either metalliferous or nonmetalliferous valuable  
246 mineral.
- 247            (24) "Mining" means the process of producing, extracting, leaching, evaporating, or  
248 otherwise removing a mineral from a mine.
- 249            (25) (a) "Mobile flight equipment" means tangible personal property that is:  
250            (i) owned or operated by an:  
251            (A) air charter service;  
252            (B) air contract service; or  
253            (C) airline; and  
254            (ii) (A) capable of flight;  
255            (B) attached to an aircraft that is capable of flight; or  
256            (C) contained in an aircraft that is capable of flight if the tangible personal property is  
257 intended to be used:  
258            (I) during multiple flights;  
259            (II) during a takeoff, flight, or landing; and  
260            (III) as a service provided by an air charter service, air contract service, or airline.
- 261            (b) (i) "Mobile flight equipment" does not include a spare part other than a spare engine that

262 is rotated:

263 (A) at regular intervals; and

264 (B) with an engine that is attached to the aircraft.

265 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
266 commission may make rules defining the term "regular intervals."

267 (26) "Nonmetalliferous minerals" includes, but is not limited to, oil, gas, coal, salts, sand,  
268 rock, gravel, and all carboniferous materials.

269 (27) "Personal property" includes:

270 (a) every class of property as defined in Subsection (28) which is the subject of ownership  
271 and not included within the meaning of the terms "real estate" and "improvements";

272 (b) gas and water mains and pipes laid in roads, streets, or alleys;

273 (c) bridges and ferries;

274 (d) livestock which, for the purposes of the exemption provided under Section 59-2-1112,  
275 means all domestic animals, honeybees, poultry, fur-bearing animals, and fish; and

276 (e) outdoor advertising structures as defined in Section 72-7-502.

277 (28) (a) "Property" means property that is subject to assessment and taxation according to  
278 its value.

279 (b) "Property" does not include intangible property as defined in this section.

280 (29) "Public utility," for purposes of this chapter, means the operating property of a railroad,  
281 gas corporation, oil or gas transportation or pipeline company, coal slurry pipeline company,  
282 electrical corporation, telephone corporation, sewerage corporation, or heat corporation where the  
283 company performs the service for, or delivers the commodity to, the public generally or companies  
284 serving the public generally, or in the case of a gas corporation or an electrical corporation, where the  
285 gas or electricity is sold or furnished to any member or consumers within the state for domestic,  
286 commercial, or industrial use. Public utility also means the operating property of any entity or person  
287 defined under Section 54-2-1 except water corporations.

288 (30) "Real estate" or "real property" includes:  
289 (a) the possession of, claim to, ownership of, or right to the possession of land;  
290 (b) all mines, minerals, and quarries in and under the land, all timber belonging to individuals  
291 or corporations growing or being on the lands of this state or the United States, and all rights and  
292 privileges appertaining to these; and  
293 (c) improvements.

294 (31) "Residential property," for the purposes of the reductions and adjustments under this  
295 chapter, means any property used for residential purposes as a primary residence. It does not  
296 include property used for transient residential use or condominiums used in rental pools.

297 (32) (a) "State-assessed commercial vehicle" means:  
298 (i) any commercial vehicle, trailer, or semitrailer which operates interstate or intrastate to  
299 transport passengers, freight, merchandise, or other property for hire; or  
300 (ii) any commercial vehicle, trailer, or semitrailer which operates interstate and transports the  
301 vehicle owner's goods or property in furtherance of the owner's commercial enterprise.

302 (b) "State-assessed commercial vehicle" does not include vehicles used for hire which are  
303 specified in Subsection (8)(c) as county-assessed commercial vehicles.

304 (33) "Taxable value" means fair market value less any applicable reduction allowed for  
305 residential property under Section 59-2-103.

306 (34) "Tax area" means a geographic area created by the overlapping boundaries of one or  
307 more taxing entities.

308 (35) "Taxing entity" means any county, city, town, school district, special taxing district, local  
309 district under Title 17B, Limited Purpose Local Government Entities - Local Districts, or other  
310 political subdivision of the state with the authority to levy a tax on property.

311 (36) "Tax roll" means a permanent record of the taxes charged on property, as extended on  
312 the assessment roll and may be maintained on the same record or records as the assessment roll or  
313 may be maintained on a separate record properly indexed to the assessment roll. It includes tax

314 books, tax lists, and other similar materials.