

1 **PROPERTY TAX NOTICE AMENDMENTS**

2 2020 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Steve Eliason**

5 Senate Sponsor: Curtis S. Bramble

7 **LONG TITLE**

8 **General Description:**

9 This bill modifies provisions related to certain tax notices.

10 **Highlighted Provisions:**

11 This bill:

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

17 **Money Appropriated in this Bill:**

18 None

19 **Other Special Clauses:**

20 None

21 **Utah Code Sections Affected:**

22 AMENDS:

23 **59-4-101**, as last amended by Laws of Utah 2016, Chapter 366

24 ENACTS:

25 **59-2-110**, Utah Code Annotated 1953

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

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

29 **59-2-110. Designation of person to receive notice.**

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

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

36 (b) If a governmental entity is required under Section 59-2-919, 59-2-919.1, or
37 59-2-1317 to send information or notice to a person, the governmental entity shall send the
38 information or notice to:

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

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

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

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

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

51 **59-4-101. Tax basis -- Exceptions -- Assessment and collection -- Designation of**
52 **person to receive notice.**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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