

Ordinance No. 22-7

November 2, 2022

**Rich County Ordinance Regarding Residential Property Tax
Exemptions for Primary Residences**

Whereas, Article 13, Section 3(2)(a)(iv) states that the state legislature may by statute exempt from property tax up to 45% of the fair market value of residential property; and

Whereas, the State Legislature authorized the exemption of 45% of the fair market value of residential property from property tax, Utah Code § 59-2-103(3) (2020); and

Whereas, Utah law defines residential property as a "primary residence," Utah Code § 59-2-102(34) (2023); and

Whereas, Utah law establishes procedures and criteria to obtain a residential property tax exemption for a primary residence; and

Whereas, Utah law authorizes the county legislative body to adopt an ordinance that requires an owner to file an application with the county before a residential property tax exemption may be granted, Utah Code § 59-2-103.5(1) (2022); and

Whereas, the Rich County Commission finds that requiring an application process to receive a residential property tax exemption is in the County's best interest.

Therefore, the County Legislative Body of Rich County, Utah ordains as follows:

Section 1. Definitions.

This ordinance adopts all relevant definitions from the state code, including the following:

"Residential property" means residential property used as a primary residence. Residential property does not include property for transient residential use. Residential property includes household furnishings, furniture, and equipment if they are (1) used exclusively within a dwelling unit that is the primary residence of a tenant and (2) owned by the owner of the dwelling unit that is the primary residence of a tenant. Residential property includes unoccupied property and property under construction if the county assessor determines that the property will be used for residential purposes as primary residence.

"Primary residence" means the location where a domicile has been established and is determined using the factors set out in Rule R884-24P-52 (2022) of the Utah Administrative Code.

"Household" means the association of individuals who live in the same dwelling, sharing the dwelling's furnishings, facilities, accommodations, and expenses. Household includes married individuals, who are not legally separated, who have established domiciles at separate locations within the state.

"Part-year residential property" means property within the state that is used as residential property for 183 or more consecutive calendar days during the calendar year for which the owner seeks to obtain the residential exemption.

Section 2. Residential property tax exemption for primary residence.

- (1) For property tax purposes, the fair market value of residential property and part-year residential property is allowed a residential exemption equal to a 45% reduction in the value of the property.
- (2) Each household is limited to one primary residence for themselves.

Section 3. Application requirement.

- (1) To receive a residential property tax exemption, an owner must file an application with the County Assessor if any of the following apply:
 - (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; or
 - (b) An ownership interest in the residential property changes; or
 - (c) The County Assessor determines that there is reason to believe that the residential property no longer qualifies for the residential exemption.
- (2) To receive a residential property tax exemption for part-year residential property, an owner must file with the County Assessor the application described in Utah Code § 59-2-103.5(3).
- (3) The owner of property seeking a residential property exemption for property under construction or unoccupied property shall file with the County Assessor a written declaration that:
 - (a) States under penalty of perjury that, to the best of the owner's knowledge, upon completion of construction or occupancy of the

residential property, the residential property will be used for residential purposes as a primary residence; and

- (b) Is signed by each owner of the residential property; and
- (4) All applications shall be in writing on a form provided by the Utah State Tax Commission or supplied by the County.

Section 4. Incorporation of state statute.

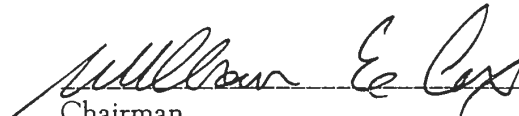
The Utah State Property Tax Act, Title 59, Chapter 2, Part 1 governs residential property tax exemptions and is incorporated herein.

Section 5. Repeal of prior ordinance and effective date.

Any prior conflicting ordinance is repealed and replaced. This ordinance shall become effective immediately upon posting.

APPROVED and ADOPTED this 2 day of November, 2022.

BOARD OF RICH COUNTY COMMISSIONERS


Chairman

ATTEST:


Rich County Clerk

Commissioner Bill Cox voted yes
Commissioner Sim Weston voted yes
Commissioner Jonathan Lee voted yes