

**SUMMIT COUNTY
ASSESSOR'S OFFICE**



Summit County Assessor

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TO: Summit County Council

FROM: Stephanie Poll, Summit County Assessor

DATE: March 24th, 2022

RE: Possible Consideration of Discretionary Tax Abatement – Parcel #WHLS-29

The law puts the responsibility on property owners to file a property tax appeal each year by the statutory deadline for that year. Every year Counties mail the Disclosure Notices by the end of July to the address of record for the parcel with information on how to file an appeal for that year to the County Board of Equalization. Every year the deadline to file an appeal to the County Board of Equalization is September 15, or the next business day if the 15th falls on a weekend. See Utah Code Sec. 59-2-1004. Summit County extends this deadline for the Primary Residential Exemption application to November 30th of each year per Summit County Ordinance 787-A.

The property owner did file an application for Primary Residential exemption in November of 2021 through the Board of Equalization in the Auditor's office. Perhaps unfamiliar with the extended deadline for Primary Exemptions – or for whatever reason – the email was not seen nor processed through the Board of Equalization.

This was not brought to the Assessor's office attention until after the extended BOE deadline of March 31st. Even if specific factors are met, the factors only extend the deadline to file an appeal for a tax year for which the treasurer has not made a final annual settlement under Section 59-2-1365. See Admin. Rule R884-24P-66 (14). The County Board of Equalization cannot make changes to the tax roll valuation at this point in time.

§59-2-1321 which reads: "The county legislative body, upon sufficient evidence being produced that property has been either erroneously or illegally assessed, **may** order the county treasurer to allow the taxes on that part of the property erroneously or illegally assessed to be deducted before payment of taxes. Any taxes, interest, and costs paid more than once, or erroneously or illegally collected, **may**, by order of the county legislative body, be refunded by the county treasurer, and the portion of taxes, interest, and costs paid to the state, or any taxing entity shall be refunded to the county, and the appropriate officer shall draw a warrant for that amount in favor of the county."

Utah Standards of Practice, Standard 3, adopted by the Utah Property Tax Division has these guidelines related to such discretionary abatements:

When considering a discretionary adjustment under Section 59-2-1347, it is the responsibility of the county legislative body to weigh the best interests of the individual, the state, and the county. It can be interpreted as human interests vs. community interests, as taxes not paid by one person are spread amongst other taxpayers. The considerations given to one applicant must be applied to all applicants. Granting abatements, adjustments and deferrals too leniently can result in lower collections over time and a higher tax rate for everyone else in a taxing entity.

The following facts may be considered:

- 1) The county agrees that the application for the primary exemption was made prior to the November 30th deadline.
- 2) With the extended deadline for the Primary exemptions of November 30th, the taxpayer would NOT have had the tax disclosure notice or the tax bill to provide evidence that the application had not been processed.
- 3) Should the Council vote in approval of the discretionary abatement, the abated tax amount of \$12,151.74 would be based off the following formula.
 - a. Market Value $3,268,442 \times 55\% = 1,797,643$ taxable value $\times .008262 = \$14,852.13$
 - b. Taxes paid as secondary $\$27,003.87 - \text{primary taxes } \$14,852.13 = \text{a refund of } \$12,151.74$
- 4) A county legislative body may not grant a deferral without the written consent of the holder of any mortgage or trust deed outstanding on the property. If the property has a mortgage, the refund would be made to that mortgage company.

While Utah Standards of Practice states that discretionary abatements should be strictly construed, the Assessor's office remains neutral.