



Roadmap to UTAH PROPERTY TAXES

General Assessment Overview

Utah assesses all real property at market value as of January 1. Assessors are required by statute to complete detailed property reviews on a five-year cycle and update values annually using current market data.

Commercial properties are assessed at 100% of the assigned assessor value, while all residential properties (including multifamily and nursing homes) are assessed at 55%.

Assessors utilize three traditional methods of valuation: Sales Comparison Approach, the Cost Approach, and the Income Approach. After establishing a base line with these methodologies, the assessor employs a mass appraisal system to determine property values.

Utah is a nondisclosure state meaning that sales prices do not have to be shared with the assessor. However, assessors often note deed transfers and actively solicit sales information directly from buyers and sellers. Additionally, assessors utilize published market rents and reported sales from national real estate databases.

A sale of a property does not trigger a reappraisal. Instead, the information is compiled into an Assessment/Sales Ratio Study that is used to update values of similar properties to maintain assessment uniformity.

Assessment/Sales Ratio Study

The Assessment/Sales Ratio Study is conducted annually and is based on arms-length sales occurring between January 1 and December 31 of the previous year. Where samples are small for a given class of property, the study period may be extended. Adjustments are then made to taxable property values by analyzing the relationship between assessed values and sales prices of similar properties.

Notice of Property Valuation

Notices of Property Valuation are mailed in July. The notice includes the value the assessor has assigned to the property, what the proposed taxes will be that year, what entities those taxes go to, and information on public hearings for any proposed tax increase.

Property Tax Appeals

If a property owner disagrees with the value on their notice, they can informally discuss the valuation with the assessor. This step is not a requirement to file an appeal.

After the optional informal discussion, the taxpayer can file a formal appeal to the **Board of Equalization (BOE) by September 15.** If the appeal is not submitted before the deadline, the value will become final and the right to appeal will be lost. After the appeal is filed, the assessor will make their recommendation to the BOE and the BOE hearing officers will hold hearings, typically ranging from September to March of the following year. The hearing officers who serve on the BOE are usually brokers, real estate attorneys, or appraisers.

If a property owner is unsatisfied with the BOE's decision, they can file an appeal to the **Utah State Tax Commission.** The appeal must be filed within 30 days of the receipt of the board's decision. There are several levels of appeal within the state tax commission.

The first is either an **informal hearing or mediation conference**, both of which could take anywhere from six months to a year to schedule. These informal discussions are intended to help resolve the appeal without a formal hearing. In these scenarios, both the property owner, or their representative, and the appraiser discuss the property and work together to determine an acceptable value. The conversation is usually facilitated by a state tax commission arbitrator and typically lasts an hour. Taxpayers have the right to waive this first step and go directly to a formal hearing; however, this informal first meeting is recommended.

If an agreement cannot be reached in mediation, the appeal will move to an **initial hearing**. This is an informal process where both parties present and defend their evidence to an administrative law judge. At the conclusion, the judge will make a decision.

After the initial hearing, a property owner can submit for a **formal hearing**, which is a recorded process where each party is given an opportunity to cross-examine the other party and any witnesses. An administrative law judge also presides over this hearing and submits a written decision.

If the taxpayer is not satisfied with the Utah State Tax Commission's decision, a final appeal can be filed to the District Court or the Utah Supreme Court. Attorneys are not required to appeal until this level.

Personal Property

Taxpayers with taxable personal property are required to **file returns annually by May 15**. Note that Salt Lake County deadlines can vary from February to May. Filing extensions are not usually granted and many counties, including Salt Lake County, require payment with the filed return.

If the payment amount submitted is higher than necessary, the county will either send a refund or apply the credit to the following year's taxes. If the payment amount submitted is not enough, the county will bill the taxpayer for the difference. Counties who do not require payment with the returns will bill the taxpayer later.

Tax Bills

Tax liability is calculated by multiplying the market value by the assessment ratio by the jurisdiction's tax rate.

$$\left[\text{Market Value} \times \text{Assessment Ratio} \times \text{Tax Rate} \right] = \text{Taxes}$$

Tax bills are typically issued in October and must be paid in full by November 30. Some counties will allow partial payments throughout the year and most Utah counties have the capability for taxpayers to pay online.

Utah Tax Calendar

Real Estate

Assessment Date	Jan 1
Value Notices Issued	Jul
Appeal Deadline	Sep 15
Tax Bills Due	Nov 30

Personal Property

Assessment Date	Jan 1
Tax Returns Due	May 15 (except Salt Lake County)
Tax Bills Due	Feb - May (many counties require payment with return)