

APPEAL # 25-233
TAX TYPE: PROPERTY TAX RELIEF
TAX YEAR: 2024
DATE SIGNED: 11/14/2025
COMMISSIONERS: J. VALENTINE, R. ROCKWELL, J. FRESQUES AND J. DEEDS

BEFORE THE UTAH STATE TAX COMMISSION

<p>TAXPAYER, Petitioner, v. TAX RELIEF SPECIALIST - CLERK/AUDITOR OFFICE OF COUNTY-1 COUNTY, STATE OF UTAH, Respondent.</p>	<p>INITIAL HEARING ORDER</p> <p>Appeal No. 25-233 Parcel No: ##### Tax Type: Property Tax Relief Tax Year: 2024</p> <p>Judge: Marshall</p>
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Presiding:

Jan Marshall, Administrative Law Judge

Appearances:

For Petitioner: TAXPAYER, *Pro Se*

For Respondent: RESPONDENT'S REP-1, Deputy Clerk, COUNTY-1 County

STATEMENT OF THE CASE

Petitioner ("Property Owner") timely appealed the decision of COUNTY-1 County ("County") to deny the Petitioner's 2024 General Tax Relief Application. This matter was argued in an Initial Hearing on July 16, 2025, in accordance with Utah Code Ann. §59-1-502.5.

APPLICABLE LAW

Utah Code Ann. §59-2-103(2) provides for the assessment of property, as follows:

All tangible taxable property located within the state shall be assessed and taxed at a uniform and equal rate on the basis of its fair market value, as valued on January 1, unless otherwise provided by law.

However, various exemptions, abatements, and tax relief are provided in the Property Tax Act. Part 12 of the Property Tax Act provides for a homeowner's credit under Utah Code Ann. §59-2-1208 as follows:

(1) (a) Subject to Subsections (2) and (4), for a calendar year beginning on or

after January 1, 2021, a claimant may claim a homeowner's credit that does not exceed the following amounts . . .

Utah Code Ann. §59-2-1202(1) defines “claimant” as the following:

- (a) “Claimant” means a homeowner or renter who:
 - (i) files a claim under this part for a residence;
 - (ii) is domiciled in this state for the entire calendar year for which a claim for relief is filed under this part; and
 - (iii) on or before December 31 of the year for which a claim for relief is filed under this part, is:
 - (A) 66 years of age or older if the individual was born on or before December 31, 1959; or
 - (B) 67 years of age or older if the individual was born on or after January 1, 1960.
- (b) Notwithstanding Subsection (1)(a), “claimant” includes a surviving spouse:
 - (i) regardless of:
 - (A) the age of the surviving spouse; or
 - (B) the age of the deceased spouse at the time of death;
 - (ii) if the surviving spouse meets the requirements of this part except for the age requirement;
 - (iii) if the surviving spouse is part of the same household of the deceased spouse at the time of death of the deceased spouse; and
 - (iv) if the surviving spouse is unmarried at the time the surviving spouse filed the claim.

To qualify for the homeowner’s credit, “household income” must be less than a stated amount described in Utah Code Ann. §59-2-1208 and is based on income from the preceding calendar year. The amount is subject to adjustment from year to year based on the consumer price index.

“Household,” “household income,” “income,” and “nontaxable income” are defined in Utah Code Ann. §59-2-1202 as follows:

- (6) "Household" means the association of individuals who live in the same dwelling, sharing the dwelling's furnishings, facilities, accommodations, and expenses.
- (7) (a) Except as provided in Subsection (7)(b), "household income" means all income received by all members of a claimant's household in:
 - (i) for a claimant who owns a residence, the calendar year preceding the calendar year in which property taxes are due; or
 - (ii) for a claimant who rents a residence, the year for which a claim is filed.
- (b) “Household income” does not include income received by a member of a claimant’s household who is:
 - (i) under the age of 18; or
 - (ii) a parent or a grandparent, through blood, marriage, or adoption, of the claimant or the claimant’s spouse.
- (8) (a) "Income" means the sum of:

- (i) federal adjusted gross income as defined in Section 62, Internal Revenue Code; and
- (ii) nontaxable income.
- (b) "Income" does not include:
 - (i) aid, assistance, or contributions from a tax-exempt nongovernmental source;
 - (ii) surplus foods;
 - (iii) relief in kind supplied by a public or private agency;
 - (iv) relief provided under this part or Part 18, Tax Deferral and Tax Abatement; or
 - (v) Social Security Disability Income payments received under the Social Security Act.
- (9) "Nontaxable income" means amounts excluded from adjusted gross income under the Internal Revenue Code, including:
 - (a) capital gains;
 - (b) loss carry forwards claimed during the taxable year in which a claimant files for relief under this part or Part 18, Tax Deferral and Tax Abatement;
 - (c) depreciation claimed pursuant to the Internal Revenue Code by a claimant on the residence for which the claimant files for relief under this part or Part 18, Tax Deferral and Tax Abatement;
 - (d) support money received;
 - (e) nontaxable strike benefits;
 - (f) cash public assistance or relief;
 - (g) the gross amount of a pension or annuity, including benefits under the Railroad Retirement Act of 1974, 45 U.S.C. Sec. 231 et seq., and veterans disability pensions;
 - (h) except for payments described in Subsection (8)(b)(v), payments received under the Social Security Act;
 - (i) state unemployment insurance amounts;
 - (j) nontaxable interest received from any source;
 - (k) workers' compensation;
 - (l) the gross amount of "loss of time" insurance; and
 - (m) voluntary contributions to a tax-deferred retirement plan.

Utah Admin. Rule R865-9I-34(2) and (3) provide additional clarification on what constitutes "nontaxable income" for purposes of the homeowner's credit as follows:

- (2) "Nontaxable income" includes:
 - (a) the amount of a federal child tax credit received under Section 24 of the Internal Revenue Code that exceeded the taxpayer's federal tax liability; and
 - (b) the amount of a federal earned income credit received under Section 32 of the Internal Revenue Code that exceeded the taxpayer's federal tax liability.
- (3) "Nontaxable income" does not include:
 - (a) federal tax refunds;
 - (b) the amount of a federal child tax credit received under Internal Revenue Code Section 24 that did not exceed the taxpayer's federal tax liability;

- (c) the amount of a federal earned income credit received under Internal Revenue Code Section 32 that did not exceed the taxpayer's federal tax liability;
- (d) payments received under a reverse mortgage;
- (e) payments or reimbursements to senior program volunteers under United States Code Title 42, Section 5058; and
- (f) gifts and bequests.

Utah Admin. Rule R865-9I-34(1)(a) addresses "household" for purposes of the homeowner's credit as follows:

"Household" is determined as follows: . . . For purposes of the homeowner's credit under Section 59-2-1208, household shall be determined as of January 1 of the year in which the claim under that section is filed.

Utah Code Ann. Title 59, Chapter 2, Part 18, Tax Deferral and Tax Abatement, provides for a low income abatement for indigent individuals under Utah Code Ann. §59-2-1803 as follows:

- (1) In accordance with this part, a county may remit or abate the taxes of an indigent individual:
 - (a) if the indigent individual owned the property as of January 1 of the year for which the county remits or abates the taxes; and
 - (b) in an amount not more than the lesser of:
 - (i) the amount provided as a homeowner's credit for the lowest household income bracket as described in Section 59-2-1208; or
 - (ii) 50% of the total tax levied for the indigent individual for the current year.
- (2) A county that grants an abatement to an indigent individual shall refund to the indigent individual an amount that is equal to the amount by which the indigent individual's property taxes paid exceed the indigent individual's property taxes due, if the amount is at least \$1.

Utah Code Ann. §59-2-1801 defines "indigent individual" as the following:

- (7) "Indigent individual" means a poor individual as described in Utah Constitution, Article XIII, Section 3, Subsection (4), who:
 - (a) (i) is at least 65 years old; or
 - (ii) is less than 65 years old and: (A) the county finds that extreme hardship would prevail on the individual if the county does not defer or abate the individual's taxes; or (B) the individual has a disability;
 - (b) has a total household income, as defined in Section 59-2-1202, of less than the maximum household income certified to a homeowner's credit described in Section 59-2-1208;
 - (c) resides for at least 10 months of the year in the residence that would be subject to the requested abatement or deferral; and
 - (d) cannot pay the tax assessed on the individual's residence when the tax becomes due.

Property owners have the right to appeal decisions of the county regarding tax relief set out in Title 59, Chapter 2, Part 12, Property Tax Act, as described in Utah Code Ann. §59-2-1217, which states:

Any person aggrieved by the denial in whole or in part of relief claimed under this part, except when the denial is based upon late filing of claim for relief, may appeal the denial to the commission by filing a petition within 30 days after the denial.

Property owners have the right to appeal decisions of the county regarding tax relief set out in Title 59, Chapter 2, Part 18, Tax Deferral and Tax Abatement, as described in Utah Code Ann. §59-2-1804(5) which states:

If an applicant is dissatisfied with a county's decision on the applicant's application for deferral or abatement, the applicant may appeal the decision to the commission in accordance with Section 59-2-1006.

DISCUSSION

The Property Owner submitted a General Tax Relief Application for the YEAR tax year to COUNTY-1 County on MONTH DATE, 2024. The Property Owner checked the box on the Application to indicate she was applying for “Circuit Breaker” tax relief. Handwritten at the top of the application was “Abatement.”¹ On the Application, the Property Owner indicated that she owned the subject property, and that it was her primary residence as of MONTH DATE, 2024, that she had not applied for tax relief in any other county, and the subject property was not in a trust agreement. The Property Owner is under the age of #####, and is not an unmarried widow. The Property Owner indicated that she was disabled, and that paying the taxes was an extreme hardship. The Property Owner indicated that she would reside at the address for ##### months of the year and would reside in Utah for all of 2024, and that no other person claimed her on their YEAR tax return. The Property Owner indicated that she did not own other real estate. The Property Owner listed herself as the only household member living in the home.

The Property Owner listed on her Application that in YEAR, she received: Social Security income of \$\$\$\$; wages, salaries, tips, and/or other compensation of \$\$\$\$; pensions, annuities, disability benefits and/or trust income of \$\$\$\$; and welfare, unemployment, alimony,

¹ The homeowner's credit is authorized in Utah Code Ann. Title 59, Chapter 2, Part 12, Property Tax Relief. The homeowner's credit is commonly referred to as “circuit breaker” tax relief. The low income abatement is authorized in Utah Code Ann. Title 59, Chapter 2, Part 18, Tax Deferral and Tax Abatement In statute, this abatement is referred to as an abatement for an indigent individual.

IRS disbursements and/or strike benefits of \$\$\$\$\$.² The Property Owner provided a copy of her YEAR federal income tax return. Her tax return indicated that she had capital gains of \$\$\$\$\$ and “additional income” of \$\$\$\$\$. The Property Owner also included a letter explaining how she was injured at work, had complications from the medication given to treat the injury, suffered a traumatic brain injury, and has been unable to work as a result. She indicated in her letter that she has applied for disability benefits, and these benefits were denied, but she is working with an attorney to appeal that decision. A copy of a questionnaire filled out by a psychiatrist for the Department of Workforce Services was provided, with a prognosis that the doctor did not “anticipate the patient will be able to work a self-sustaining job.” Additionally, the Property Owner provided a letter dated MONTH DATE, 2024, from a physician who has been treating the Property Owner for her traumatic brain injury. The physician wrote, “[t]he severity of the symptoms are to the degree that they significantly limit her ability to pursue gainful employment and it is my medical opinion that she would not likely be able to sustain gainful employment for any length of time.”

On MONTH DATE, 2024, the County issued a letter to the Property Owner indicating that it was unable to approve her 2024 Application for the “Abatement Tax Relief Program” because her total household income exceeded the \$\$\$\$\$ limit determined by the Legislature.

The Property Owner stated that she understands that her Application was denied because her income was too high. She stated that it was high in YEAR because of a \$\$\$\$\$ disability settlement. The Property Owner stated that it was a one-time payment, and her attorney took %%% of the settlement.³ She stated that she received only \$\$\$\$\$, and that she has significant medical bills. The Property Owner explained that she is disabled and unable to work. She stated that she is in a hardship situation, and that typically her income is around \$\$\$\$\$.

RESPONDENT’S REP-1, Clerk of the COUNTY-1 County Board of Equalization, stated that the Property Owner’s medical information was helpful, but that both the homeowner’s credit and the low income abatement are income based programs. He explained that the County denied the application for relief because the Property Owner’s household income was over the limit of \$\$\$\$\$ for the 2024 tax year. RESPONDENT’S REP-1 stated that it is the County’s position that the settlement amount needs to be included in the Property Owner’s YEAR income. He stated

² The Commission notes that the Property Owner’s application is difficult to read, and that the \$\$\$\$\$ amount for welfare, unemployment, alimony, IRS disbursements and/or strike benefits may have been crossed out.

³ The Commission notes that the Property Owner did not provide any evidence to indicate that this was a settlement for Social Security Disability Income (“SSDI”). It appears that it is not SSDI, as in her letter included with the Application, the Property Owner explained that she is in the process of appealing the denial of her disability application.

that absent that settlement, the Property Owner would have qualified, and noted that the one-time settlement will not count against her 2024 income for tax relief in YEAR.

On MONTH DATE, 2025, the Property Owner submitted, via email, a copy of an Amended U.S. Individual Income Tax Return for the YEAR tax year, as well as an Amended YEAR Utah Individual Income Tax Return. The amended returns removed the \$\$\$\$ settlement from the Property Owner's adjusted gross income.

After reviewing the information submitted in this matter and the applicable law, it appears that there may be some confusion regarding the two different types of tax relief. The Property Owner had indicated on the Application that she was applying for the homeowner's credit; however, the County's denial letter referenced the low income abatement. Because the requirements for the low income abatement and the homeowner's credit are different, the Commission considers the requirements separately.

The Commission finds that the Property Owner did not qualify for the homeowner's credit pursuant to Utah Code, Title 59, Chapter 2, Part 12, Property Tax Act, for the 2024 tax year. While the Property Owner met some of the criteria established in Utah Code §59-2-1202 to be considered to be a claimant, she did not meet the age requirement of §59-2-1202(1)(a)(iii). Further, her income exceeded the maximum household income limitation of Utah Code §59-2-1208. Thus, the Property Owner does not qualify for the homeowner's credit.

Utah Code §59-2-1803(1) provides for an abatement for "an indigent individual. . . if the indigent individual owned the property as of January 1 of the year for which the county remits or abates the taxes." An "indigent individual" is defined in Utah Code Ann. §59-2-1801(7) as follows:

"Indigent individual" means a poor individual as described in Utah Constitution, Article XIII, Section 3, Subsection (4), who:

- (a) (i) is at least 65 years old; or
- (ii) is less than 65 years old and:
 - (A) the county finds that extreme hardship would prevail on the individual if the county does not defer or abate the individual's taxes;
 - or
 - (B) the individual has a disability;
- (b) has a total household income, as defined in Section 59-2-1202, of less than the maximum household income certified to a homeowner's credit described in Section 59-2-1208;
- (c) resides for at least 10 months of the year in the residence that would be subject to the requested abatement or deferral; and
- (d) cannot pay the tax assessed on the individual's residence when the tax becomes due.

The Property Owner is less than ##### years old, and has provided evidence to show that she has a disability that prevents her from working. She resided in the residence for at least ##### months of YEAR, and has asserted that she cannot pay the assessed tax. The County denied the Property Owner's Application asserting that her total household income exceeded the limit for 2024 of \$\$\$\$\$.

"Household income" is defined by statute at Utah Code Subsection 59-2-1202(7), which provides that "household income" is all "income" received by members of a claimant's household. Subsection (6) of Utah Code Ann. §59-2-1202 defines "household" as "the association of individuals who live in the same dwelling, sharing the dwelling's furnishings, facilities, accommodations, and expenses." The Property Owner is the only occupant of the residence, and thus only her income is included in the "household income."

Utah Code Subsection 59-2-1202(8) defines "income" to be the sum of: (A) federal adjusted gross income as defined in Section 62, Internal Revenue Code; and (B) all nontaxable income. "Nontaxable income" is defined in Subsection (9) and includes amounts excluded from federal adjusted gross income under the Internal Revenue Code. Regardless of whether the IRS and Tax Commission accept the Property Owner's YEAR amended returns, the \$\$\$\$\$ settlement is nontaxable income, and thus it is included in the Property Owner's "household income." The Commission notes that Utah Code Ann. §59-2-1202(8)(b)(v) specifically excludes "Social Security Disability Income payments received under the Social Security Act" from income. However, the Property Owner has not shown that the settlement she received was a Social Security Disability Income payment. The Commission notes that Utah Code Ann. §59-2-1202(9)(b) specifically excludes SSDI payments from the non-exhaustive list of nontaxable income that is included in the calculation of income for qualification of tax relief.

As noted in many prior cases⁴, the Tax Commission does not have statutory discretion to allow tax relief where a claimant does not meet the express provisions of the statute. Furthermore, the Tax Commission has heard a number of appeals where the claimant was only a few dollars over the maximum household income limitation and determined it was required to deny those property owners tax relief because the statutory provisions for tax relief are clear as to

⁴ See, e.g., *Findings of Fact, Conclusions of Law and Final Decision, Appeal No. 15-460, Utah State Tax Commission* (January 19, 2016); *Initial Hearing Order, Appeal No. 15-2092, Utah State Tax Commission* (May 9, 2016); *Initial Hearing Order, Appeal No. 16-1310, Utah State Tax Commission* (February 21, 2017); *Initial Hearing Order, Appeal No. 16-1565, Utah State Tax Commission* (April 10, 2017); and *Initial Hearing Order, Appeal No. 17-2036, Utah State Tax Commission* (August 14, 2018). These decisions are available online in a redacted format at: tax.utah.gov/commission-office/decisions.

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who qualifies for the relief and do not provide the Tax Commission discretion to grant exceptions to those provisions.

For all of these reasons, the County has properly denied the tax relief in this matter and the Property Owner's appeal should be denied.

Jan Marshall
Administrative Law Judge

DECISION AND ORDER

Based on the foregoing, the Commission finds the County properly denied the homeowner's credit and the low income abatement. It is so ordered.

This decision does not limit a party's right to a Formal Hearing. However, this Decision and Order will become the Final Decision and Order of the Commission unless any party to this case files a written request within thirty (30) days of the date of this decision to proceed to a Formal Hearing. Such a request shall be mailed, or emailed, to the address listed below and must include the Petitioner's name, address, and appeal number:

Utah State Tax Commission
Appeals Division
210 North 1950 West
Salt Lake City, Utah 84134

or emailed to:

taxappeals@utah.gov

Failure to request a Formal Hearing will preclude any further appeal rights in this matter.

DATED this ____ day of _____, 2025.

John L. Valentine
Commission Chair

Rebecca L. Rockwell
Commissioner

Jennifer N. Fresques
Commissioner

John T. Deeds
Commissioner