

06-0561
Property Tax/Centrally Assessed
Signed 03/13/2007

BEFORE THE UTAH STATE TAX COMMISSION

PETITIONER,)		
)	ORDER	
)		
Petitioner,)	Appeal No.	06-0561
)		
v.)		
)	Tax Type:	Property Tax/Centrally Assessed
PROPERTY TAX DIVISION OF THE)	Tax Year:	2006
UTAH STATE TAX COMMISSION,)		
)	Judge:	Jensen
Respondent.)		

Presiding:
Clinton Jensen, Administrative Law Judge

Appearances:
For Petitioner: PETITIONER REPRESENTATIVE
For Respondent: RESPONDENT REPRESENTATIVE, Property Tax Division Senior Analyst

STATEMENT OF THE CASE

This matter came before the Utah State Tax Commission for an Initial Hearing in accordance with the provisions of Utah Code Sec. 59-1-502.5, on November 29, 2006. The Petitioner has appealed the Respondent's taxation for 2006. The Petitioner disputes the ability of the Respondent to levy tax on Petitioner's property.

APPLICABLE LAW

By May 1 of each year the following property, unless otherwise exempt under the Utah Constitution or under Part 11 of this chapter, shall be assessed by the commission at 100% of fair market value, as valued on January 1, in accordance with this chapter: . . . (c) all operating property of an airline, air charter service, and air contract service. . . (Utah Code Sec. 59-2-201(1).)

Appeal No. 05-0808

If the owner of any property assessed by the commission, or any county upon a showing of reasonable cause, objects to the assessment, the owner of the county may, or before June 1, apply to the commission for a hearing. (Utah Code Ann. Sec. 59-2-1007(1)(a).)

“Unitary property” means operating property that is assessed by the Commission pursuant to Section 59-2-201(1)(a) through (c). (Utah Admin. Rule R884-24P-62(A)(4).)

Unitary properties shall be assessed at fair market value based on generally accepted appraisal theory as provided under this rule. (Utah Admin. Rule R884-24P-62(D).)

The Utah Supreme Court has determined that the taxpayer has a dual burden of proof in property tax valuation appeals, stating in *Utah Railway Company v Utah State Tax Commission*, 5 P.3d 652, 655 (2000) as follows: “the protesting taxpayer is required “not only to show substantial error or impropriety in the assessment, but also to provide a sound evidentiary basis upon which the Commission could adopt a lower valuation.”” Citing *Utah Power & Light Co. v. Tax Commission*, 590 P.2d 332, 335 (Utah 1979).

DISCUSSION

At hearing, the Petitioner did not dispute that he had personal property in Utah in 2006. He did not provide a legal basis to overcome Utah statutes that provide for a tax on business personal property. Rather, Petitioner argued that Utah does not tax all airplanes that spend time in Utah. This argument fails for two reasons. First, the Petitioner provided only his own conclusion for the proposition that others who do not report their Utah property escape taxation. Second, the Petitioner did not direct the Commission to any statute that would excuse the Petitioner from taxation even if the Petitioner proved that others had property in Utah that escaped taxation.

DECISION AND ORDER

Respondent’s assessment is valid in accordance with applicable rules and statutes. Petitioner has the burden of proving the value should be lower or that the property should not be taxed and has not

Appeal No. 05-0808

provided sufficient evidence to support its contentions. Based on the evidence presented by the parties, the Commission finds that the Utah taxable value of the subject property for the lien date January 1, 2006 is \$\$\$\$\$. It is so ordered.

This decision does not limit a party's right to a Formal Hearing or the right of an affected county to show cause pursuant to section 59-2-1007 why the Commission should not adjust the values in accordance with this order. However, this Decision and Order will become the Final Decision and Order of the Commission unless an affected party 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 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

Failure to request a Formal Hearing will preclude any further administrative appeal rights in this matter. In that event, the Property Tax Division is ordered to adjust its records in accordance with this order. The Property Tax Division is also ordered to calculate the final adjustments to the values apportioned to tax districts as a result of this order and to deliver that information to the affected counties on behalf of the Commission. The auditors of the affected counties are ordered to use the information so provided to adjust their tax roles in accordance with this order.

DATED this _____ day of _____, 2007.

Clinton Jensen
Administrative Law Judge

Appeal No. 05-0808

BY ORDER OF THE UTAH STATE TAX COMMISSION.

The Commission has reviewed this case and the undersigned concur in this decision.

DATED this _____ day of _____, 2007.

Pam Hendrickson
Commission Chair

R. Bruce Johnson
Commissioner

Marc B. Johnson
Commissioner

D'Arcy Dixon Pignanelli
Commissioner

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