

1 **R884-24P-33. [2018]2019 Personal Property Valuation Guides and Schedules Pursuant to**
2 **Utah Code Ann. Section 59-2-301.**

3 (1) Definitions.

4 (a)(i) "Acquisition cost" does not include indirect costs such as debugging, licensing fees
5 and permits, insurance, or security.

6 (ii) Acquisition cost may correspond to the cost new for new property, or cost used for used
7 property.

8 (b)(i) "Actual cost" includes the value of components necessary to complete the vehicle,
9 such as tanks, mixers, special containers, passenger compartments, special axles, installation,
10 engineering, erection, or assembly costs.

11 (ii) Actual cost does not include sales or excise taxes, maintenance contracts, registration
12 and license fees, dealer charges, tire tax, freight, or shipping costs.

13 (c) "Cost new" means the actual cost of the property when purchased new.

14 (i) Except as otherwise provided in this rule, the Tax Commission and assessors shall rely on
15 the following sources to determine cost new:

16 (A) documented actual cost of the new or used vehicle; or

17 (B) recognized publications that provide a method for approximating cost new for new or
18 used vehicles.

19 (ii) For the following property purchased used, the taxing authority may determine cost new
20 by dividing the property's actual cost by the percent good factor for that class:

21 (A) class 6 heavy and medium duty trucks;

22 (B) class 13 heavy equipment;

23 (C) class 14 motor homes;

24 (D) class 17 vessels equal to or greater than 31 feet in length; and

25 (E) class 21 commercial trailers.

26 (d) For purposes of Sections 59-2-108 and 59-2-1115, "item of taxable tangible personal
27 property" means a piece of equipment, machinery, furniture, or other piece of tangible personal
28 property that is functioning at its highest and best use for the purpose it was designed and
29 constructed and is generally capable of performing that function without being combined with other
30 items of personal property. An item of taxable tangible personal property is not an individual
31 component part of a piece of machinery or equipment, but the piece of machinery or equipment.
32 For example, a fully functioning computer is an item of taxable tangible personal property, but the
33 motherboard, hard drive, tower, or sound card are not.

34 (e) "Percent good" means an estimate of value, expressed as a percentage, based on a
35 property's acquisition cost or cost new, adjusted for depreciation and appreciation of all kinds.

36 (i) The percent good factor is applied against the acquisition cost or the cost new to derive
37 taxable value for the property.

38 (ii) Percent good schedules are derived from an analysis of the Internal Revenue Service
39 Class Life, the Marshall and Swift Cost index, other data sources or research, and vehicle valuation
40 guides such as Penton Price Digests.

41 (2) Each year the Property Tax Division shall update and publish percent good schedules for
42 use in computing personal property valuation.

43 (a) Proposed schedules shall be transmitted to county assessors and interested parties for
44 comment before adoption.

45 (b) A public comment period will be scheduled each year and a public hearing will be
46 scheduled if requested by ten or more interested parties or at the discretion of the Commission.

47 (c) County assessors may deviate from the schedules when warranted by specific conditions
48 affecting an item of personal property. When a deviation will affect an entire class or type of
49 personal property, a written report, substantiating the changes with verifiable data, must be
50 presented to the Commission. Alternative schedules may not be used without prior written approval
51 of the Commission.

52 (d) A party may request a deviation from the value established by the schedule for a specific
53 item of property if the use of the schedule does not result in the fair market value for the property at
54 the retail level of trade on the lien date, including any relevant installation and assemblage value.

55 (3) The provisions of this rule do not apply to:

56 (a) a vehicle subject to the age-based uniform fee under Section 59-2-405.1;

57 (b) the following personal property subject to the age-based uniform fee under Section 59-2-
58 405.2:

59 (i) an all-terrain vehicle;

60 (ii) a camper;

61 (iii) an other motorcycle;

62 (iv) an other trailer;

63 (v) a personal watercraft;

64 (vi) a small motor vehicle;

65 (vii) a snowmobile;

66 (viii) a street motorcycle;

67 (ix) a tent trailer;

68 (x) a travel trailer; and

69 (xi) a vessel, including an outboard motor of the vessel, that is less than 31 feet in length;

70 (c) a motorhome subject to the uniform statewide fee under Section 59-2-405.3;

71 and

72 (d) an aircraft subject to the uniform statewide fee under Section [59-2-404]72-10-110.5.

73 (4) Other taxable personal property that is not included in the listed classes includes:

74 (a) Supplies on hand as of January 1 at 12:00 noon, including office supplies, shipping
75 supplies, maintenance supplies, replacement parts, lubricating oils, fuel and consumable items not
76 held for sale in the ordinary course of business. Supplies are assessed at total cost, including
77 freight-in.

78 (b) Equipment leased or rented from inventory is subject to ad valorem tax. Refer to the
79 appropriate property class schedule to determine taxable value.

80 (c) Property held for rent or lease is taxable, and is not exempt as inventory. For entities
81 primarily engaged in rent-to-own, inventory on hand at January 1 is exempt and property out on
82 rent-to-own contracts is taxable.

83 (5) Personal property valuation schedules may not be appealed to, or amended by, county
84 boards of equalization.

85 (6) All taxable personal property, other than personal property subject to an age-based
86 uniform fee under Section 59-2-405.1 or 59-2-405.2, or a uniform statewide fee under Section 59-2-

87 404, is classified by expected economic life as follows:

88 (a) Class 1 - Short Life Property. Property in this class has a typical life of more than one
89 year and less than four years. It is fungible in that it is difficult to determine the age of an item
90 retired from service.

91 (i) Examples of property in the class include:

92 (A) barricades/warning signs;

93 (B) library materials;

94 (C) patterns, jigs and dies;

95 (D) pots, pans, and utensils;

96 (E) canned computer software;

97 (F) hotel linen;

98 (G) wood and pallets;

99 (H) video tapes, compact discs, and DVDs; and

100 (I) uniforms.

101 (ii) With the exception of video tapes, compact discs, and DVDs, taxable value is calculated
102 by applying the percent good factor against the acquisition cost of the property.

103 (iii) A licensee of canned computer software shall use one of the following substitutes for
104 acquisition cost of canned computer software if no acquisition cost for the canned computer
105 software is stated:

106 (A) retail price of the canned computer software;

107 (B) if a retail price is unavailable, and the license is a nonrenewable single year license
108 agreement, the total sum of expected payments during that 12-month period; or

109 (C) if the licensing agreement is a renewable agreement or is a multiple year agreement, the
110 present value of all expected licensing fees paid pursuant to the agreement.

111 (iv) Video tapes, compact discs, and DVDs are valued at \$15.00 per tape or disc for the first
112 year and \$3.00 per tape or disc thereafter.

113

114

TABLE 1

115

116 Year of	Percent Good
117 Acquisition	of Acquisition Cost

118

119 [17]18	[70]72%
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120 [16]17	[41]42%
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121 [15]16 and prior	[10]11%
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122

123 (b) Class 2 - Computer Integrated Machinery.

124 (i) Machinery shall be classified as computer integrated machinery if all of the following
125 conditions are met:

126 (A) The equipment is sold as a single unit. If the invoice breaks out the computer separately
127 from the machine, the computer must be valued as Class 12 property and the machine as Class 8
128 property.

129 (B) The machine cannot operate without the computer and the computer cannot perform
130 functions outside the machine.

131 (C) The machine can perform multiple functions and is controlled by a programmable
132 central processing unit.

133 (D) The total cost of the machine and computer combined is depreciated as a unit for
134 income tax purposes.

135 (E) The capabilities of the machine cannot be expanded by substituting a more complex
136 computer for the original.

137 (ii) Examples of property in this class include:

138 (A) CNC mills;

139 (B) CNC lathes;

140 (C) high-tech medical and dental equipment such as MRI equipment, CAT scanners, and
141 mammography units.

142 (iii) Taxable value is calculated by applying the percent good factor against the acquisition
143 cost of the property.

144
145 TABLE 2

146
147

148 Year of	Percent Good
149 Acquisition	of Acquisition Cost
150 [17] 18	[89] 91%
151 [16] 17	[80] 81%
152 [15] 16	[69] 70%
153 [14] 15	[58] 59%
154 [13] 14	[47] 48%
155 [12] 13	[37] 38%
156 [11] 12	[24] 25%
157 [10] 11 and prior	[12] 13%

158

159 (c) Class 3 - Short Life Trade Fixtures. Property in this class generally consists of electronic
160 types of equipment and includes property subject to rapid functional and economic obsolescence or
161 severe wear and tear.

162 (i) Examples of property in this class include:

163 (A) office machines;

164 (B) alarm systems;

165 (C) shopping carts;

166 (D) ATM machines;

167 (E) small equipment rentals;

168 (F) rent-to-own merchandise;

169 (G) telephone equipment and systems;

170 (H) music systems;

171 (I) vending machines;

172 (J) video game machines; and

173 (K) cash registers.

174 (ii) Taxable value is calculated by applying the percent good factor against the acquisition
175 cost of the property.

176
177 TABLE 3

Year of Acquisition	Percent Good of Acquisition Cost
[17]18	[84]86%
[16]17	[68]70%
[15]16	[54]53%
[14]15	35%
[13]14 and prior	18%

(d) Class 5 - Long Life Trade Fixtures. Class 5 property is subject to functional obsolescence in the form of style changes.

(i) Examples of property in this class include:

- (A) furniture;
- (B) bars and sinks;
- (C) booths, tables and chairs;
- (D) beauty and barber shop fixtures;
- (E) cabinets and shelves;
- (F) displays, cases and racks;
- (G) office furniture;
- (H) theater seats;
- (I) water slides;
- (J) signs, mechanical and electrical; and
- (K) LED component of a billboard.

(ii) Taxable value is calculated by applying the percent good factor against the acquisition cost of the property.

TABLE 5

Year of Acquisition	Percent Good of Acquisition Cost
[17]18	[90]92%
[16]17	[82]84%
[15]16	[72]74%
[14]15	[62]64%
[13]14	[53]55%
[12]13	[44]45%
[11]12	[33]34%
[10]11	[22]23%
[09]10 and prior	12%

(e) Class 6 - Heavy and Medium Duty Trucks.

(i) Examples of property in this class include:

- (A) heavy duty trucks;
- (B) medium duty trucks;
- (C) crane trucks;

- 225 (D) concrete pump trucks; and
- 226 (E) trucks with well-boring rigs.
- 227 (ii) Taxable value is calculated by applying the percent good factor against the cost new.
- 228 (iii) Cost new of vehicles in this class is defined as follows:
- 229 (A) the documented actual cost of the vehicle for new vehicles; or
- 230 (B) 75 percent of the manufacturer's suggested retail price.
- 231 (iv) For state assessed vehicles, cost new shall include the value of attached equipment.
- 232 (v) The ~~[2018]~~2019 percent good applies to ~~[2018]~~2019 models purchased in ~~[2017]~~2018.
- 233 (vi) Trucks weighing two tons or more have a residual taxable value of \$1,750.

234
235 TABLE 6

237 Model Year	Percent Good of Cost New
240 [18] 19	90%
241 [17] 18	[73] 71%
242 [16] 17	[67] 66%
243 [15] 16	[62] 61%
244 [14] 15	56%
245 [13] 14	51%
246 [12] 13	45%
247 [11] 12	40%
248 [10] 11	35%
249 [09] 10	[29] 30%
250 [08] 09	20%
251 [07] 08	15%
252 [06] 07	10%
253 [05] 06 and prior	4%

254
255 (f) Class 7 - Medical and Dental Equipment. Class 7 has been merged into Class 8.
256 ~~[property is subject to a high degree of technological development by the health industry.~~

- 257 (i) ~~Examples of property in this class include:~~
- 258 ~~(A) medical and dental equipment and instruments;~~
- 259 ~~(B) exam tables and chairs;~~
- 260 ~~(C) microscopes; and~~
- 261 ~~(D) optical equipment.~~
- 262 (ii) ~~Taxable value is calculated by applying the percent good factor against the acquisition~~
263 ~~cost of the property.~~

264
265 TABLE 7

267 Year of Acquisition	Percent Good of Acquisition Cost
269 17	92%

271	16	85%
272	15	77%
273	14	69%
274	13	62%
275	12	55%
276	11	46%
277	10	37%
278	09	29%
279	08	21%
280	07 and prior	11%]

281
282 (g) Class 8 - Machinery and Equipment and Medical and Dental Equipment.

283 (i) [~~Property in this class~~]Machinery and equipment is subject to considerable functional and
284 economic obsolescence created by competition as technologically advanced and more efficient
285 equipment becomes available. (~~+~~)Examples of [~~property in this class~~] machinery and equipment
286 include:

- 287 (A) manufacturing machinery;
- 288 (B) amusement rides;
- 289 (C) bakery equipment;
- 290 (D) distillery equipment;
- 291 (E) refrigeration equipment;
- 292 (F) laundry and dry cleaning equipment;
- 293 (G) machine shop equipment;
- 294 (H) processing equipment;
- 295 (I) auto service and repair equipment;
- 296 (J) mining equipment;
- 297 (K) ski lift machinery;
- 298 (L) printing equipment;
- 299 (M) bottling or cannery equipment;
- 300 (N) packaging equipment; and
- 301 (O) pollution control equipment.

302 (ii) Medical and dental equipment is subject to a high degree of technological development
303 by the health industry. Examples of medical and dental equipment include:

- 304 (A) medical and dental equipment and instruments;
- 305 (B) exam tables and chairs;
- 306 (C) microscopes; and
- 307 (D) optical equipment.

308 (iii) Except as provided in Subsection (6)(g)[~~(iii)~~](iv), taxable value is calculated by
309 applying the percent good factor against the acquisition cost of the property.

310 [~~(iii)~~](iv)(A) Notwithstanding Subsection (6)(g)[~~(iii)~~](iii), the taxable value of the following
311 oil refinery pollution control equipment required by the federal Clean Air Act shall be calculated
312 pursuant to Subsection (6)(g)[~~(iii)~~](iv)(B):

- 313 (I) VGO (Vacuum Gas Oil) reactor;
- 314 (II) HDS (Diesel Hydrotreater) reactor;
- 315 (III) VGO compressor;
- 316 (IV) VGO furnace;

317 (V) VGO and HDS high pressure exchangers;
 318 (VI) VGO, SRU (Sulfur Recovery Unit), SWS (Sour Water Stripper), and TGU; (Tail Gas
 319 Unit) low pressure exchangers;
 320 ~~(VII)~~(VII) VGO, amine, SWS, and HDS separators and drums;
 321 (VIII) VGO and tank pumps;
 322 (IX) TGU modules; and
 323 (X) VGO tank and VGO tank air coolers.
 324 (B) The taxable value of the oil refinery pollution control equipment described in Subsection
 325 (6)(g)~~(iii)~~(iv)(A) shall be calculated by:
 326 (I) applying the percent good factor in Table 8 against the acquisition cost of the property;
 327 and
 328 (II) multiplying the product described in Subsection (6)(g)~~(iii)~~(iv)(B)(I) by 50%.

330 TABLE 8

332 Year of	332 Percent Good
333 Acquisition	333 of Acquisition Cost
335 [17] 18	335 [92] 94%
336 [16] 17	336 [85] 87%
337 [15] 16	337 [77] 79%
338 [14] 15	338 [69] 71%
339 [13] 14	339 [62] 64%
340 [12] 13	340 [55] 56%
341 [11] 12	341 [46] 47%
342 [10] 11	342 [37] 38%
343 [09] 10	343 [29] 30%
344 [08] 09	344 21%
345 [07] 08 and prior	345 11%

346
 347 (h) Class 9 - Off-Highway Vehicles.

348 (i) Because Section 59-2-405.2 subjects off-highway vehicles to an age-based uniform fee, a
 349 percent good schedule is not necessary.

350 (i) Class 10 - Railroad Cars. The Class 10 schedule was developed to value the property of
 351 railroad car companies. Functional and economic obsolescence is recognized in the developing
 352 technology of the shipping industry. Heavy wear and tear is also a factor in valuing this class of
 353 property.

354 (i) Taxable value is calculated by applying the percent good factor against the acquisition
 355 cost of the property.

357 TABLE 10

359 Year of	359 Percent Good
360 Acquisition	360 of Acquisition Cost
361 [17] 18	361 [94] 96%

363	[16]17	[89]91%
364	[15]16	[82]84%
365	[14]15	[76]78%
366	[13]14	[71]73%
367	[12]13	[66]68%
368	[11]12	[58]60%
369	[10]11	[52]54%
370	[09]10	[47]48%
371	[08]09	[41]42%
372	[07]08	[34]35%
373	[06]07	28%
374	[05]06	[19]20%
375	[04]05 and prior	9%

(j) Class 11 - Street Motorcycles.

(i) Because Section 59-2-405.2 subjects street motorcycles to an age-based uniform fee, a percent good schedule is not necessary.

(k) Class 12 - Computer Hardware.

(i) Examples of property in this class include:

(A) data processing equipment;

(B) personal computers;

(C) main frame computers;

(D) computer equipment peripherals;

(E) cad/cam systems; and

(F) copiers.

(ii) Taxable value is calculated by applying the percent good factor against the acquisition cost of the property.

TABLE 12

Year of Acquisition	Percent Good of Acquisition Cost
---------------------	----------------------------------

[17]18	62%
[16]17	46%
[15]16	21%
[14]15	9%
[13]14 and prior	7%

(l) Class 13 - Heavy Equipment.

(i) Examples of property in this class include:

(A) construction equipment;

(B) excavation equipment;

(C) loaders;

(D) batch plants;

(E) snow cats; and

409 (F) pavement sweepers.
 410 (ii) Taxable value is calculated by applying the percent good factor against the acquisition
 411 cost of the property.

412 (iii) ~~[2018]~~2019 model equipment purchased in ~~[2017]~~2018 is valued at 100 percent of
 413 acquisition cost.

414
 415 TABLE 13
 416

417	Year of	Percent Good
418	Acquisition	of Acquisition Cost
419		
420	[17]18	[48]49%
421	[16]17	[45]47%
422	[15]16	[42]44%
423	[14]15	[40]42%
424	[13]14	[37]39%
425	[12]13	[34]37%
426	[11]12	[32]35%
427	[10]11	[29]32%
428	[09]10	[26]30%
429	[08]09	[23]28%
430	[07]08	[21]25%
431	[06]07	[18]23%
432	[05]06	[15]20%
433	[04]05 and prior	13%

434
 435 (m) Class 14 - Motor Homes.

436 (i) ~~Because Section 59-2-405.3 subjects motor homes to an age-based uniform fee, a percent~~
 437 ~~good schedule is not necessary. [Taxable value is calculated by applying the percent good against~~
 438 ~~the cost new.~~

439 (ii) ~~The 2018 percent good applies to 2018 models purchased in 2017.~~

440 (iii) ~~Motor homes have a residual taxable value of \$1,000.~~

441
 442 TABLE 14
 443

444	Model Year	Percent Good
445		of Cost New
446		
447	18	90%
448	17	69%
449	16	65%
450	15	61%
451	14	58%
452	13	54%
453	12	50%
454	11	47%

455	10	43%
456	09	39%
457	08	35%
458	07	32%
459	06	28%
460	05	24%
461	04	21%
462	03	17%
463	02 and prior	15%]

464
465 (n) Class 15 - Semiconductor Manufacturing Equipment. Class 15 applies only to
466 equipment used in the production of semiconductor products. Equipment used in the semiconductor
467 manufacturing industry is subject to significant economic and functional obsolescence due to
468 rapidly changing technology and economic conditions.

- 469 (i) Examples of property in this class include:
470 (A) crystal growing equipment;
471 (B) die assembly equipment;
472 (C) wire bonding equipment;
473 (D) encapsulation equipment;
474 (E) semiconductor test equipment;
475 (F) clean room equipment;
476 (G) chemical and gas systems related to semiconductor manufacturing;
477 (H) deionized water systems;
478 (I) electrical systems; and
479 (J) photo mask and wafer manufacturing dedicated to semiconductor production.
480 (ii) Taxable value is calculated by applying the percent good factor against the acquisition
481 cost of the property.

482
483 TABLE 15

485	Year of	Percent Good
486	Acquisition	of Acquisition Cost
488	[17] 18	47%
489	[16] 17	34%
490	[15] 16	24%
491	[14] 15	15%
492	[13] 14 and prior	6%

493
494 (o) Class 16 - Long-Life Property. Class 16 property has a long physical life with little
495 obsolescence.

- 496 (i) Examples of property in this class include:
497 (A) billboard (excluding LED component);
498 (B) sign towers;
499 (C) radio towers;
500 (D) ski lift and tram towers;

- 501 (E) non-farm grain elevators;
- 502 (F) bulk storage tanks;
- 503 (G) underground fiber optic cable;
- 504 (H) solar panels and supporting equipment; and
- 505 (I) pipe laid in or affixed to land.
- 506 (ii) Taxable value is calculated by applying the percent good factor against the acquisition
- 507 cost of the property.

508
509 TABLE 16

511	Year of	Percent Good
512	Acquisition	of Acquisition Cost
513		
514	<u>[17]18</u>	<u>[95]96%</u>
515	<u>[16]17</u>	<u>[92]94%</u>
516	<u>[15]16</u>	<u>[87]89%</u>
517	<u>[14]15</u>	<u>[83]85%</u>
518	<u>[13]14</u>	<u>[80]82%</u>
519	<u>[12]13</u>	<u>[77]79%</u>
520	<u>[11]12</u>	<u>[74]73%</u>
521	<u>[10]11</u>	<u>[67]69%</u>
522	<u>[09]10</u>	64%
523	<u>[08]09</u>	<u>[62]63%</u>
524	<u>[07]08</u>	59%
525	<u>[06]07</u>	<u>[55]57%</u>
526	<u>[05]06</u>	<u>[50]51%</u>
527	<u>[04]05</u>	<u>[44]45%</u>
528	<u>[03]04</u>	<u>[37]38%</u>
529	<u>[02]03</u>	30%
530	<u>[01]02</u>	23%
531	<u>[00]01</u>	15%
532	<u>[99]00</u> and prior	8%

533
534 (p) Class 17 - Vessels Equal to or Greater Than 31 Feet in Length.

535 (i) Examples of property in this class include:

- 536 (A) houseboats equal to or greater than 31 feet in length;
- 537 (B) sailboats equal to or greater than 31 feet in length; and
- 538 (C) yachts equal to or greater than 31 feet in length.

539 (ii) A vessel, including an outboard motor of the vessel, under 31 feet in length:

- 540 (A) is not included in Class 17;
- 541 (B) may not be valued using Table 17; and
- 542 (C) is subject to an age-based uniform fee under Section 59-2-405.2.

543 (iii) Taxable value is calculated by applying the percent good factor against the cost new of

544 the property.

545 (iv) The Tax Commission and assessors shall rely on the following sources to determine

546 cost new for property in this class:

- 547 (A) the following publications or valuation methods:
 548 (I) the manufacturer's suggested retail price listed in the ABOS Marine Blue Book;
 549 (II) for property not listed in the ABOS Marine Blue Book but listed in the NADA Marine
 550 Appraisal Guide, the NADA average value for the property divided by the percent good factor; or
 551 (III) for property not listed in the ABOS Marine Blue Book or the NADA Appraisal Guide:
 552 (aa) the manufacturer's suggested retail price for comparable property; or
 553 (bb) the cost new established for that property by a documented valuation source; or
 554 (B) the documented actual cost of new or used property in this class.
 555 (v) The ~~2018~~2019 percent good applies to ~~2018~~2019 models purchased in ~~2017~~2018.
 556 (vi) Property in this class has a residual taxable value of \$1,000.
 557

558 TABLE 17
 559

560	Model Year	Percent Good of Cost New
561	18 19	90%
562	17 18	65 67%
563	16 17	63 64%
564	15 16	61 62%
565	14 15	58 60%
566	13 14	56 57%
567	12 13	54 55%
568	11 12	52 53%
569	10 11	49 50%
570	09 10	47 48%
571	08 09	45 46%
572	07 08	43%
573	06 07	41%
574	05 06	38 39%
575	04 05	36%
576	03 04	34%
577	02 03	32%
578	01 02	30 29%
579	00 01	27%
580	99 00	25%
581	98 99	21%
582	97 98 and prior	17%

- 583
 584
 585 (q) Class 17a - Vessels Less Than 31 Feet in Length
 586 (i) Because Section 59-2-405.2 subjects vessels less than 31 feet in length to an age-based
 587 uniform fee, a percent good schedule is not necessary.
 588 (r) Class 18 - Travel Trailers and Class 18a - Tent Trailers/Truck Campers.
 589 (i) Because Section 59-2-405.2 subjects travel trailers and tent trailers/truck campers to an
 590 age-based uniform fee, a percent good schedule is not necessary.
 591 (s) Class 20 - Petroleum and Natural Gas Exploration and Production Equipment. Class 20
 592 property is subject to significant functional and economic obsolescence due to the volatile nature of

593 the petroleum industry.

594 (i) Examples of property in this class include:

595 (A) oil and gas exploration equipment;

596 (B) distillation equipment;

597 (C) wellhead assemblies;

598 (D) holding and storage facilities;

599 (E) drill rigs;

600 (F) reinjection equipment;

601 (G) metering devices;

602 (H) cracking equipment;

603 (I) well-site generators, transformers, and power lines;

604 (J) equipment sheds;

605 (K) pumps;

606 (L) radio telemetry units; and

607 (M) support and control equipment.

608 (ii) Taxable value is calculated by applying the percent good factor against the acquisition

609 cost of the property.

611 TABLE 20

613 Year of	613 Percent Good
614 Acquisition	614 of Acquisition Cost
616 [17] 18	616 [93] 95%
617 [16] 17	617 [85] 87%
618 [15] 16	618 [80] 81%
619 [14] 15	619 [73] 74%
620 [13] 14	620 [66] 67%
621 [12] 13	621 [60] 61%
622 [11] 12	622 [54] 55%
623 [10] 11	623 46%
624 [09] 10	624 40%
625 [08] 09	625 [33] 34%
626 [07] 08	626 [26] 27%
627 [06] 07	627 19%
628 [05] 06 and prior	628 10%

630 (t) Class 21 - Commercial Trailers.

631 (i) Examples of property in this class include:

632 (A) dry freight van trailers;

633 (B) refrigerated van trailers;

634 (C) flat bed trailers;

635 (D) dump trailers;

636 (E) livestock trailers; and

637 (F) tank trailers.

638 (ii) Taxable value is calculated by applying the percent good factor against the cost new of

639 the property. For state assessed vehicles, cost new shall include the value of attached equipment.
 640 (iii) The ~~[2018]~~2019 percent good applies to ~~[2018]~~2019 models purchased in ~~[2017]~~2018.
 641 (iv) Commercial trailers have a residual taxable value of \$1,000.

642
 643 TABLE 21
 644

645 Model Year	Percent Good 646 of Cost New
647 [18] 19	95%
648 [17] 18	[86] 85%
649 [16] 17	82%
650 [15] 16	78%
651 [14] 15	74%
652 [13] 14	[70] 69%
653 [12] 13	[66] 65%
654 [11] 12	[62] 61%
655 [10] 11	[58] 57%
656 [09] 10	[54] 53%
657 [08] 09	[51] 50%
658 [07] 08	[47] 46%
659 [06] 07	41%
660 [05] 06	36%
661 [04] 05	30%
662 [03] 04	25%
663 [02] 03 and prior	17%

664
 665 (u) Class 21a - Other Trailers (Non-Commercial).
 666 (i) Because Section 59-2-405.2 subjects this class of trailers to an age-based uniform fee, a
 667 percent good schedule is not necessary.
 668 (v) Class 22 - Passenger Cars, Light Trucks/Utility Vehicles, and Vans.
 669 (i) Class 22 vehicles fall within four subcategories: domestic passenger cars, foreign
 670 passenger cars, light trucks, including utility vehicles, and vans.
 671 (ii) Because Section 59-2-405.1 subjects Class 22 property to an age-based uniform fee, a
 672 percent good schedule is not necessary.
 673 (w) Class 22a - Small Motor Vehicles.
 674 (i) Because Section 59-2-405.2 subjects small motor vehicles to an age-based uniform fee, a
 675 percent good schedule is not necessary.
 676 (x) Class 23 - Aircraft Required to be Registered With the State.
 677 (i) Because Section 59-2-404 subjects aircraft required to be registered with the state to a
 678 statewide uniform fee, a percent good schedule is not necessary.
 679 (y) Class 24 - Leasehold Improvements on Exempt Real Property.
 680 (i) The Class 24 schedule is to be used only for those leasehold improvements where the
 681 underlying real property is owned by an entity exempt from property tax under Section 59-2-1101.
 682 See Tax Commission rule R884-24P-32. Leasehold improvements include:
 683 (A) walls and partitions;
 684

- 685 (B) plumbing and roughed-in fixtures;
- 686 (C) floor coverings other than carpet;
- 687 (D) store fronts;
- 688 (E) decoration;
- 689 (F) wiring;
- 690 (G) suspended or acoustical ceilings;
- 691 (H) heating and cooling systems; and
- 692 (I) iron or millwork trim.
- 693 (ii) Taxable value is calculated by applying the percent good factor against the cost of
- 694 acquisition, including installation.
- 695 (iii) The Class 3 schedule is used to value short life leasehold improvements.

697 TABLE 24

698	699 Year of	Percent of
700	Installation	Installation Cost
701		
702	[17] 18	94%
703	[16] 17	88%
704	[15] 16	82%
705	[14] 15	77%
706	[13] 14	71%
707	[12] 13	65%
708	[11] 12	59%
709	[10] 11	54%
710	[09] 10	48%
711	[08] 09	42%
712	[07] 08	36%
713	[06] 07 and prior	30%

714
 715 (z) Class 25 - Aircraft Parts Manufacturing Tools and Dies. Property in this class is
 716 generally subject to rapid physical, functional, and economic obsolescence due to rapid
 717 technological and economic shifts in the airline parts manufacturing industry. Heavy wear and tear
 718 is also a factor in valuing this class of property.

- 719 (i) Examples of property in this class include:
- 720 (A) aircraft parts manufacturing jigs and dies;
- 721 (B) aircraft parts manufacturing molds;
- 722 (C) aircraft parts manufacturing patterns;
- 723 (D) aircraft parts manufacturing taps and gauges; and
- 724 (E) aircraft parts manufacturing test equipment.
- 725 (ii) Taxable value is calculated by applying the percent good factor against the acquisition
- 726 cost of the property.

727 TABLE 25

728	729 Year of	Percent Good
730		

731	Acquisition	of Acquisition Cost
732		
733	[17]18	[84]86%
734	[16]17	[69]70%
735	[15]16	[52]53%
736	[14]15	36%
737	[13]14	19%
738	[12]13 and prior	4%

740 (aa) Class 26 - Personal Watercraft.

741 (i) Because Section 59-2-405.2 subjects personal watercraft to an age-based uniform fee, a
 742 percent good schedule is not necessary.

743 (bb) Class 27 - Electrical Power Generating Equipment and Fixtures

744 (i) Examples of property in this class include:

745 (A) electrical power generators; and

746 (B) control equipment.

747 (ii) Taxable value is calculated by applying the percent good factor against the acquisition
 748 cost of the property.

750 TABLE 27

752	Year of	Percent Good
753	Acquisition	of Acquisition Cost
754		
755	[17]18	97%
756	[16]17	95%
757	[15]16	92%
758	[14]15	90%
759	[13]14	87%
760	[12]13	84%
761	[11]12	82%
762	[10]11	79%
763	[09]10	77%
764	[08]09	74%
765	[07]08	71%
766	[06]07	69%
767	[05]06	66%
768	[04]05	64%
769	[03]04	61%
770	[02]03	58%
771	[01]02	56%
772	[00]01	53%
773	[99]00	51%
774	[98]99	48%
775	[97]98	45%
776	[96]97	43%

777	[95]96	40%
778	[94]95	38%
779	[93]94	35%
780	[92]93	32%
781	[91]92	30%
782	[90]91	27%
783	[89]90	25%
784	[88]89	22%
785	[87]88	19%
786	[86]87	17%
787	[85]86	14%
788	[84]85	12%
789	[83]84 and prior	9%

790
791 (cc) Class 28 - Noncapitalized Personal Property. Property shall be classified as
792 noncapitalized personal property if the following conditions are met:
793 (i) the property is an item of taxable tangible personal property with an acquisition cost of
794 \$1,000 or less; and
795 (ii) the property is eligible as a deductible expense under Section 162 or Section 179,
796 Internal Revenue Code, in the year of acquisition, regardless of whether the deduction is actually
797 claimed.

798
799 TABLE 28

801	Year of	Percent Good
802	Acquisition	of Acquisition Cost
803		
804	[17]18	75%
805	[16]17	50%
806	[15]16	25%
807	[14]15 and prior	0%

808
809 The provisions of this rule shall be implemented and become binding on taxpayers
810 beginning January 1, [2018]2019.
811

DRAFT

1 **R865-9I-2. Determination of Utah Resident Individual Status Pursuant to Utah Code Ann.**
2 **Sections 59-10-103 and 59-10-136.**

3 [(1)]For purposes of determining whether an individual spends in the aggregate 183 or
4 more days of the taxable year in this state, a “day” means a day in which the individual spends
5 more time in this state than in any other state.

6 [(2) Determination of resident individual status for military servicepersons.

7 (a) ~~The status of a military serviceperson as a resident individual or a nonresident~~
8 ~~individual is determined as follows.~~

9 (i) ~~A resident individual in active military service does not lose his status as a resident~~
10 ~~individual if the resident individual’s absence from the state is a result of military orders.~~

11 (ii) ~~A nonresident individual in active military service who is stationed in Utah does not~~
12 ~~become a resident individual for income tax purposes if the nonresident individual’s presence in~~
13 ~~Utah is due solely to military orders.~~

14 (b) ~~Subject to federal law, an individual in active military service may change from a~~
15 ~~resident individual to a nonresident individual or from a nonresident individual to a resident~~
16 ~~individual if he establishes that he satisfies the conditions of Section 59-10-136.~~

17 (c) ~~A nonresident individual serviceperson is exempt from Utah income tax only on his~~
18 ~~active service pay. All other Utah source income received by the nonresident individual~~
19 ~~serviceperson is subject to Utah income tax as provided by Section 59-10-116.]~~

DRAFT

1 **R865-19S-32. Leases and Rentals Pursuant to Utah Code Ann. Section 59-12-103.**

2 (1)~~[(a) Subject to Subsection (1)(b), a lessor shall compute sales or use tax on all amounts~~
3 ~~received or charged in connection with a lease or rental of tangible personal property.]~~

4 ~~[(b)]~~ Fuel charges in a transaction for the lease or rental of a motor vehicle are not subject
5 to sales tax pursuant to Subsection 59-12-104(1) if the fuel charges are:

6 ~~[(i)]~~(a) optional; and

7 ~~[(ii)]~~(b) separately stated on the invoice.

8 (2) When a lessee has the right to possession, operation, or use of tangible personal
9 property, the tax applies to the amount paid pursuant to the lease agreement, regardless of the
10 duration of the agreement.

11 (3) Lessors of tangible personal property shall furnish an exemption certificate when
12 purchasing tangible personal property subject to the sales or use tax on rental receipts. Costs of
13 repairs and renovations to tangible personal property are exempt if paid for by the lessor since it
14 is assumed that those costs are recovered by the lessor in his rental receipts.

15 (4) A person that furnishes tangible personal property along with an operator, as
16 described in the definition of lease or rental in Section 59-12-102, provides a service and shall:

17 (a) pay sales and use tax at the time that person purchases the tangible personal property
18 that is furnished under this Subsection (4); and

19 (b) collect sales and use tax at the time that person provides the service if the service is
20 subject to sales and use tax.