

Intermountain Single Tax Association

I S T A

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March 14, 1986

NEWS RELEASE

The Intermountain Single Tax Association has urged Governor Norman Bangerter to veto Senate Bill 72 which would totally remove the land value component of the property tax for metalliferous mining. The bill would also replace the net proceeds component of the property tax with a method of determining assessed value based on a rate of return considered appropriate by the Tax Commission. Earl Hanson, Executive Secretary for ISTA, said that the new tax formula is nebulous and not at all in harmony with precise assessments applied to other taxpayers.

The Iron County Commission on March 13, considered S.B. 72 and unanimously approved the following resolution:

- Whereas Utah's present property tax on metalliferous mines and mining claims is based on two components: one for the holding of the mine or mining claim and the other on the net proceeds in dollars for operating mines, and
- Whereas The assessed value for the holding of the mine or mining claim was \$50 per acre before January 1, 1986, and is to be \$250 per acre thereafter, and
- Whereas The net proceeds component of the property tax is based on ten times the annual net proceeds as defined by a verifiable method, and
- Whereas The 1986 Utah Legislature has passed S.B. 72 which totally removes the present component of the property tax required for holding the mine or mining claim, and
- Whereas S.B. 72 would also remove the net proceeds method of assessment and replace it with a method of assessment that appears nebulous and would cause controversy, and
- Whereas S.B. 72 calls for a level of confidential treatment for assessment records and punishment for violators, that, up until now has not been required in the administration of Utah's tax laws,

THEREFORE BE IT RESOLVED, that the Iron County Commission respectfully urges Governor Norman H. Bangerter to veto S.B. 72.