

# Utah Taxpayer Bill of Rights



### Utah State Tax Commission

210 North 1950 West  
Salt Lake City, Utah 84134  
(801) 297-6299  
1-800-662-4335  
[www.tax.utah.gov](http://www.tax.utah.gov)

*If you need an accommodation under the Americans with Disabilities Act, contact the Tax Commission at (801) 297-3811, or TDD (801) 297-2020. Please allow three working days for a response.*

## Introduction

This introduction to the Utah tax system informs you of your tax-related rights and responsibilities under the law as a Utah taxpayer. Tax laws not only include strong incentives for your voluntary compliance, but also protect you against inappropriate tax collection procedures.

This publication lists your tax-related rights as set out in Utah statutes and in the rules of the Tax Commission. The information is arranged in the following five sections:

- The first two sections set forth your general rights and rights specifically connected with the audit process.
- Next, general collection procedures are explained so that in the event we notify you of a delinquency, you will know what collection efforts to expect.
- The fourth section outlines the process for appealing Tax Commission actions.
- The final section of this publication lists phone numbers and addresses where you can obtain information, tax forms and any other assistance you might need.

## General Rights

### Professional Service

You have a right to have your problems resolved by Tax Commission employees in a quick, courteous, uniform and professional manner. Employees are evaluated on the quality of their contacts with you.

### Understandable Information

You have a right to tax forms written in plain, understandable language. If you encounter forms that are difficult to understand or that do not contain enough information, we encourage you to suggest changes or call the Tax Commission for assistance.

### Privacy and Confidentiality

You have the right to have your tax returns and other information kept secure and confidential.

## Reliance on Written Advice

If you have received incorrect written advice from the Tax Commission and you provided the Tax Commission with sufficient, accurate information, you are not liable for any penalties or interest arising from underpayment of taxes due to that incorrect advice.

## Suits Against the Tax Commission

If the Tax Commission or one of its employees intentionally or recklessly disregards published procedures, laws or rules, you have the right to bring a civil suit against the Tax Commission. In this suit, you may recover actual damages and costs up to \$100,000. You should know, however, that if the court believes your action against the Tax Commission is frivolous, it may impose a penalty upon you of up to \$10,000.

## Erroneously Filed Liens

In the event a lien is erroneously filed against your property, you have the right to have that lien withdrawn.

## Assessment and Deficiency Notices

Assessment and deficiency notices include information concerning the additional taxes, penalties or interest, and the telephone number of a contact person within the Tax Commission.

## Taxpayer Advocate Program

Recognizing that not all problems are resolved through normal channels, the Tax Commission formed the Taxpayer Advocate Program, which is administered by the Taxpayer Services Division's Technical Research Unit. If the Tax Commission has not been able to resolve your particular problem through normal Tax Commission procedures, you may request the assistance of a technical research agent.

## Extension for Filing

You are automatically granted a filing extension for up to six months for your individual income, fiduciary, partnership and corporate tax returns. This is an extension for filing your return, not an extension for payment of your taxes. Taxpay-

ers who take advantage of the filing extension, but who have not remitted to the Tax Commission the statutorily prescribed payment of ninety percent of the current year's tax or one hundred percent of the prior year's tax will be assessed penalties. The payment must be paid by the original due date of the return. State income tax withheld on your paycheck is considered a payment. Interest will be assessed on unpaid tax from the original filing due date until the tax is paid in full. If you need to extend the filing date for tax returns other than individual income, fiduciary, partnership and corporate taxes, you must apply in writing to the Tax Commission before the due date of the return.

## Refund Claims

The Tax Commission has the responsibility to refund any overpayment of individual income tax within a reasonable period of time after the original return is filed. If you believe you are due a refund for a past tax year, you may file an amended return with the Tax Commission claiming the refund within three years from the filing of the original return or two years from the date the tax was paid, whichever period is later. For information on refund procedures for taxes other than individual income tax, please contact one of the Tax Commission offices listed later in this publication.

## Audits

### Audit Location

Tax audits are conducted at the Tax Commission offices or at the taxpayer's location.

### Audit Interview

An audit interview is a meeting held for the purpose of acquiring information necessary to conduct the audit. The Tax Commission or the taxpayer may initiate audit interviews. During the audit interview, you will receive an explanation of the audit process. The following rights apply to all audit interviews:

- 1) The audit interview shall be reasonably scheduled. Whenever possible, the Tax Commission will comply with your schedule to conduct the audit interview.
- 2) You may record your audit interview.
- 3) If you choose, an attorney or any other representative with your power of attorney may represent you at an audit interview.

### Notification of Audit Results

Following the completion of an audit of your account, you will receive a Statutory Notice. The Statutory Notice is a legal and binding assessment of your tax liability. If you do not agree with the amount shown on the Statutory Notice, you may request a Division Conference to clarify and narrow the issues. If you choose to not request a Division Conference or if the Division Conference does not resolve the matter, you have the right to appeal the notice. Whether or not a Division Conference is held, you must submit an appeal in writing within thirty days of the Statutory Notice date to protect your appeal rights. See "Appeals Procedures" later in this publication for information regarding the appeals process.

## Collections Procedures

### Collections Process

Past due taxes, audit deficiencies and applicable penalty and interest are managed and collected by the Taxpayer Services Division. Our goal is to protect the interests of the citizens of Utah, while educating and influencing you to resolve your tax debt. You will be notified of past due amounts through letters or billings at the last known address. It is your responsibility to notify the Tax Commission of all address changes. In addition, a Tax Compliance agent may contact you by telephone or in person to resolve your debt. (See "Installment Payment Agreements" below.)

Although a tax lien exists immediately upon assessment, the Tax Commission may file a warrant with the courts to place a public lien or judgment on your real and personal property. A lien may be picked up by credit reporting agencies and may unfavorably affect your credit. Furthermore, the Tax Commission may execute a lien to garnish wages, bank accounts or other real property. In the case of Corporate, LLC or LLP businesses that fail to collect and remit trust taxes, Utah Code §59-1-302 provides for warrants to be filed against all responsible persons.

### Division Conference

You may, at any time during the collection process, speak with the agent handling your account or request to meet with the agent's supervisor to settle your particular problem. In certain instances, you may have the right to begin the appeals process outlined in the "Appeals Procedures" section of this publication.

### Installment Payment Agreements

Under certain circumstances, the Tax Commission may enter into a short term installment agreement with you for the payment of your taxes, penalties and interest. The Tax Commission may, however, revise, accelerate or cancel an installment agreement if your financial condition has substantially changed, you have provided inaccurate information concerning your financial condition or you fail to make timely payments according to the terms of the installment agreement. You have the right to receive reasonable notice prior to the revision or cancellation of your installment agreement.

## Appeals Procedures

### Appeals

Any taxpayer who disagrees with an agency action is entitled to an appeal. Decisions of the local boards of equalization concerning property tax may be appealed to the Commission. Centrally assessed property tax assessments may be appealed directly to the Commission.

### Representation

You may represent yourself or you may have someone represent you at every stage of the appeal proceedings.

## Filing an Appeal with the Commission

You must appeal in writing, within 30 days of the date on the notice of the action that you are challenging, or within 90 days if the action you are challenging is on a claim for refund for a tax administered by Title 59, Chapter 10 of the Utah Code (Chapter 10 includes individual income tax and withholding tax).

Although your appeal need not be in any particular form, it should contain the following information:

- 1) your name, address and daytime telephone number;
- 2) the tax type involved, the time period and the amount of tax, penalty, interest or other issue in dispute;
- 3) the agency's file or other reference number, if known, and a copy of the letter or document which you are appealing;
- 4) the relief or action sought;
- 5) a statement of facts, summary of arguments and authorities relied upon, including any statutes or rules, forming the basis for relief or action sought from the Commission; and
- 6) the names and addresses of all persons to whom a copy of the appeal is being sent.

For your convenience, you may obtain form TC-738 for this appeal from the Tax Commission website or through any of our offices.

## Adjudicative Proceedings

The steps in adjudicative proceedings will depend on the type and complexity of your appeal and may include the following:

### Status and Scheduling Conferences

In any matter pending before the Commission, you may be required to appear for a status or scheduling conference. Conferences are held for the purposes of scheduling, clarifying issues, simplifying evidence and expediting the proceedings.

### Initial Hearing

An initial hearing may be held to attempt to resolve the dispute without the need of a formal hearing. Status and scheduling conferences may be held simultaneously with an initial hearing. Parties may agree to a mediation conference in lieu of the initial hearing.

### Hearings

If the parties waive the initial hearing or if either party appeals the decision from the initial hearing, a formal hearing will be scheduled. The Commission will notify you of the hearing date at least 10 days in advance. All formal hearings conducted for the Commission are recorded. You have the right to purchase a copy of the recording of your hearing, if you so desire.

## Agency Review

The Commission will automatically review the order of the hearing officer. You need not petition for agency review.

## Written Order

You will receive a written order within a reasonable time after the appeal. This order will inform you of the Commission decision and your further appeal rights.

## Agency Reconsideration

If you believe there has been a mistake of law or of fact, or if you have newly discovered evidence that was not available at the time of the hearing, you have the right to file a petition for reconsideration. This petition must be filed within 20 days after the date on the order issued by the Commission and must describe in detail the basis of your request.

## Appellate Review

You have the right to judicial review of the final Commission decision by the District Court or the Utah Supreme Court. In order to appeal to the District Court or the Utah Supreme Court, you must post security or obtain a waiver under Utah Code §59-1-611.

## Taxpayer Assistance

The Tax Commission provides taxpayer services at several locations throughout the state. Taxpayers may contact the Salt Lake City main office at its toll-free number.

### Salt Lake City

Utah State Tax Commission  
210 North 1950 West  
Salt Lake City, UT 84134  
(801) 297-2200 or  
1-800-662-4335

### Branch Offices

#### Ogden

2540 Washington Blvd. 7th Floor  
Ogden, UT 84401  
(801) 626-3460

#### Provo

Provo Regional Center  
150 East Center Street Suite 1300  
Provo, UT 84606  
(801) 374-7071

#### Washington County

100 South 5300 West  
Hurricane, UT 84737  
(435) 251-9525