Overview

Allows property that is owned by a utility and leased for terms of 20 years or longer for residential or recreational purposes to be treated as though it were an individual parcel of property owned by the lessee, for property tax purposes. Also provides for homestead treatment of these properties if certain conditions are met.

Section

1 **Parcel.** Provides that properties that are owned by a utility and leased for residential or recreational uses for terms of 20 years or longer are to be treated as separate parcels for property tax purposes.

2 **Homestead treatment.** Provides for homestead classification on the land and buildings, provided the following conditions are met:
   - the land is owned by a utility,
   - the land is leased for a term of 20 years or more,
   - the occupant is using the property as a permanent residence, and
   - the occupant is paying the property taxes and any special assessments levied on the property.

3 **Class 3 property.** Clarifies that utility property of the type described in section 1 is treated as though it were individual parcels of residential property, and is not subject to the limitation applying to regular utility property that only one parcel per owner per county qualifies for first tier valuation.

4 **Effective date.** Provides that sections 1 to 3 are effective for taxes payable in 2000 and subsequent years.