



## DIMINISHED VALUE CLAIMS: **UTAH**

### **SUMMARY** Utah Claims

**Statute of Limitations:** 3 years

**Third Party Diminished Value Claim:** Yes

**First Party Diminished Value Claim:** No, most insurance policies will exclude diminished value

**Utah Property Damage  
Minimum Limits:** \$15,000 in coverage

**Uninsured Motorist Coverage for Diminished Value:** Yes, optional coverage of \$3,500 subject to a \$250 deductible. Does not include compensation for loss of use. The owner, operator, or license number of the uninsured vehicle must be identified. Must be reported within ten days of the date of loss.

**Underinsured Motorist Coverage for Diminished Value:** No coverage

**Utah Small Claims Court Limit:** \$11,000. Attorney representation and appeals are permitted.

If your vehicle was damaged in an accident in the state of Utah and underwent repairs, its resale value is likely to be less than what it was before the crash. This loss in market value is known as diminished value, and it is recoverable in Utah through a diminished value claim filed with the at-fault party's insurance company. If the other driver was uninsured, you can also file a diminished value claim with your own insurance company.

#### **UTAH DIMINISHED VALUE LAW**

Utah is a state that allows drivers to file a diminished value claim if the accident wasn't their fault. The statute of limitations for diminished value claims in Utah is three years from the date of loss. Diminished value claims are filed with the at-fault driver's insurance company.

In an action for damages to an auto, plaintiff, being entitled to recover the difference in the market value of his auto immediately before and after the injury, can recover not only the reasonable cost of repairs, but also any depreciation in market value after repairs were completed. *Metcalf v. Mellen*, 192 P. 676 (Utah 1920).

#### **HOW TO FILE A DIMINISHED VALUE CLAIM IN UTAH**

**Step 1.** Prove your loss. You must supply evidence that you have lost value. An independent, unbiased appraisal will provide the documentation necessary to determine the diminished value of a vehicle.

**Step 2.** Submit your proof to the insurance company. You'll need to submit a diminished value appraisal and demand letter to the at-fault insurance company for review.

**Step 3.** Claim settlement. Once you submit a diminished value appraisal report, most insurance companies will make a settlement offer. The insurance company may pay the claim in full, make a lower offer, or deny the claim.

Negotiate until they get firm with their offer. If you're having trouble with the insurance company, you may need to consider legal action against the responsible party.