

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 117

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1 RELATING TO TAXATION OF PERSONAL PROPERTY; AMENDING SECTION 63-602KK, IDAHO
2 CODE, TO INCREASE THE AMOUNT OF THE EXEMPTION FOR PERSONAL PROPERTY AND
3 TO PROVIDE FOR THE ADMINISTRATION OF THE ADDITIONAL EXEMPTION; AMENDING
4 SECTION 63-803, IDAHO CODE, TO REVISE THE DEFINITION OF TAXABLE VALUE;
5 AMENDING SECTION 63-803, IDAHO CODE, AS AMENDED BY SECTION 2, CHAPTER
6 37, LAWS OF 2014, TO REVISE THE DEFINITION OF TAXABLE VALUE; AMENDING
7 SECTION 63-3638, IDAHO CODE, TO REVISE APPLICABILITY; DECLARING AN
8 EMERGENCY, PROVIDING RETROACTIVE APPLICATION AND PROVIDING AN EFFEC-
9 TIVE DATE.
10

11 Be It Enacted by the Legislature of the State of Idaho:

12 SECTION 1. That Section 63-602KK, Idaho Code, be, and the same is hereby
13 amended to read as follows:

14 63-602KK. PROPERTY EXEMPT FROM TAXATION -- CERTAIN PERSONAL PROPERTY.

15 (1) (a) An item of taxable personal property purchased on or after Jan-
16 uary 1, 2013, shall be exempt from property taxation if the item of tax-
17 able personal property has an acquisition price of three thousand dol-
18 lars (\$3,000) or less.

19 (b) For purposes of this section, the term "acquisition cost" means all
20 costs required to put an item of taxable personal property into service
21 and includes:

22 (i) The purchase price of a new or used item;

23 (ii) The cost of freight and shipping;

24 (iii) The cost of installation, engineering, erection or assem-
25 bly; and

26 (iv) Sales and use taxes.

27 (c) For purposes of this subsection, an "item of taxable personal prop-
28 erty" means equipment, machinery, furniture or other personal property
29 that is functioning at its highest and best use for the purpose it was
30 designed and constructed and is generally capable of performing that
31 function without being combined with other items of personal property.
32 An item of taxable personal property is not an individual component part
33 of a piece of equipment, machinery, furniture or other personal prop-
34 erty as a whole. An item of taxable personal property does not include
35 an improvement to real property, a part that will become an improvement,
36 or anything defined as a fixture.

37 (2) On and after January 1, 2015, except as provided in subsection (8)
38 of this section, each person's personal property, located in the county,
39 which is not otherwise exempt, shall be exempt to the extent of one hundred
40 thousand dollars (\$100,000). On and after January 1, 2017, except as pro-
41 vided in subsection (8) of this section, each person's personal property,
42 located in the county, which is not otherwise exempt, is exempt to the extent

1 of two hundred fifty thousand dollars (\$250,000). For the purposes of this
2 section, a person includes two (2) or more people using the property in a
3 common enterprise who are within a relationship described in section 267 of
4 the Internal Revenue Code, as defined in section 63-3004, Idaho Code.

5 (3) (a) No later than the third Monday of November ~~2013~~ 2017, the county
6 clerk of each county shall certify to the state tax commission the
7 amount of additional exemption from property taxes under subsection (2)
8 of this section, in that county for ~~that year~~ 2017. "Additional exemp-
9 tion" for the purposes of this section is that exemption over the one
10 hundred thousand dollar (\$100,000) limit under subsection (2) of this
11 section, as the subsection existed prior to January 1, 2017. The cer-
12 tification shall identify the property receiving tax reductions, the
13 value of the property, the property's location, the amount of the tax
14 levy applicable to personal property in the location, and the tax before
15 and after the additional exemption amount allowed in subsection (2) of
16 this section. The certification shall be in the form prescribed by the
17 state tax commission and shall include such additional information as
18 the commission may require by rule as needed to implement the purpose
19 of this section. In addition to the amount certified by the third Mon-
20 day of November 2017, the county clerk of each county may, by the third
21 Monday of March 2018, certify to the state tax commission an amount of
22 additional exemption from property taxes provided by this section for
23 property eligible for the additional exemption, but entered on the 2017
24 subsequent or missed property rolls. The certification shall be re-
25 viewed and, if necessary, corrected by the state tax commission.

26 (b) Except as provided in subsection (7) of this section, for the year
27 beginning January 1, ~~2014~~ 2018, and every year thereafter, the amount of
28 annual replacement of property tax on personal property exempted pur-
29 suant to subsection (2) of this section shall be the amount approved by
30 the state tax commission pursuant to paragraph (a) of this subsection
31 for the additional exemption certified in 2017 plus the exemption cer-
32 tified in 2013, as corrected.

33 (4) (a) Subject to the limitations of this section, the state tax
34 commission shall reimburse from the amount appropriated for personal
35 property tax replacement in section 63-3638, Idaho Code, the county
36 treasurer of each county for the reduction on the certification pro-
37 vided in subsection (3) of this section. The county treasurer shall
38 reimburse from the amount received to each taxing district within the
39 county an amount in proportion to the amount of reduction shown on the
40 certifications in subsection (3) of this section as corrected. The
41 amount that would otherwise be attributable to tax revenues derived
42 from tax levies on personal property exempted by this section within
43 an existing revenue allocation area as defined in section 50-2903(15),
44 Idaho Code, shall be paid directly by the county treasurer to such pub-
45 lic body or agency entitled thereto, equal to the amounts that would
46 have been distributed in accordance with the formula for such distribu-
47 tion set forth in section 50-2908, Idaho Code. Taxing districts created
48 on or after January 1, ~~2013~~ 2017, shall not be eligible for the reim-
49 bursement provided for in this paragraph.

1 (b) Beginning in 2017, tThe state tax commission shall pay one-half
2 (1/2) of the reimbursement provided in this section no later than Decem-
3 ber 20 of each year, and the second one-half (1/2) shall be paid by no
4 later than June 20 of the following year. Provided, for 2018 only, the
5 payment to be made on June 20, 2018, may be adjusted to reflect any ad-
6 ditional certification provided pursuant to subsection (3) (a) of this
7 section. The money received by the county tax collector under the pro-
8 visions of this section may be considered by counties and other taxing
9 districts and budgeted against at the same time, and in the same manner,
10 and in the same year as revenues from taxation. The total amount paid to
11 the county treasurers shall not exceed the amount certified to the state
12 tax commission under subsection (3) of this section.

13 (c) For purposes of the limitation provided by section 63-802, Idaho
14 Code, moneys received from distributions pursuant to section 63-3638,
15 Idaho Code, as property tax replacement for the taxable value of prop-
16 erty exempt from taxation pursuant to this section shall be treated as
17 property tax revenues.

18 (5) (a) Nothing contained in this section shall affect the taxation of
19 forest lands or forest products pursuant to chapter 17, title 63, Idaho
20 Code, or the taxation of the net profits of mines pursuant to chapter 28,
21 title 63, Idaho Code.

22 (b) The exemption from personal property tax provided for in subsec-
23 tion (2) of this section shall not apply to motor vehicles, recreational
24 vehicles, aircraft and boats that are not registered with the state of
25 Idaho and for which required registration fees have not been paid.

26 (6) (a) The application for the exemption provided for in subsection
27 (2) of this section shall be in the form prescribed by the state tax com-
28 mission and shall include such information as the state tax commission
29 may require by rule as needed to implement the purpose of this section
30 including, but not limited to, a list of each item of personal property,
31 the purchase date of each item of personal property, the unit cost of
32 each item of personal property, if more than the exemption allowed in
33 subsection (1) of this section, and the total cost of the items of per-
34 sonal property.

35 (b) The application for this exemption, if the county is capable of so
36 providing, may be transmitted by the county assessor electronically,
37 as that term is defined in section 63-115, Idaho Code, when requested
38 by the taxpayer, or mailed by the county assessor to the taxpayer, or
39 his agent or representative at the taxpayer's last known post office
40 address, no later than March 1 of each year. The transmission or mail-
41 ing of the application shall also include the taxpayer's application
42 for the exemption allowed by this section for the last year in which the
43 taxpayer filed an application.

44 (c) A taxpayer need only make application for the exemption in this sec-
45 tion once as long as all of the following conditions are met:

46 (i) The taxpayer has received the exemption during the previous
47 year as a result of him making a valid application as defined in
48 this section.

49 (ii) The amount of the exemption allowed by this section is more
50 than the taxable value of personal property owned by the taxpayer.

1 (iii) The taxpayer has not made purchases of personal property,
2 excluding items of taxable personal property exempted pursuant to
3 subsection (1) of this section, that would cause the taxable value
4 of the personal property owned by the taxpayer to exceed the maxi-
5 mum amount allowed as an exemption by this section.

6 (iv) When the taxpayer has more than one hundred thousand dol-
7 lars (\$100,000) in personal property and he has applied for and re-
8 ceived the additional exemption as defined in subsection (3) (a) of
9 this section.

10 (d) Knowingly failing to report changes in the taxable value of per-
11 sonal property that exceed the amount of the exemption allowed pursuant
12 to this section shall subject the taxpayer to a fine not in excess of ten
13 thousand dollars (\$10,000) in addition to other penalties set forth in
14 this chapter.

15 (7) Recovery of property tax exemptions allowed by this section but im-
16 properly claimed:

17 (a) Upon discovery of evidence, facts or circumstances indicating any
18 exemption allowed by this section was improperly claimed, the county
19 assessor shall decide whether the exemption claimed should have been
20 allowed, and if not, notify the board of county commissioners, at which
21 time the board may waive a recovery of the property tax and notify such
22 taxpayer in writing.

23 (b) The assessment and collection of the recovery of property tax must
24 begin within the seven (7) year period beginning on the date the assess-
25 ment notice reflecting the improperly claimed exemption was required to
26 be mailed to the taxpayer.

27 (c) The taxpayer may appeal to the board of tax appeals the decision by
28 the board of county commissioners to assess the recovery of property tax
29 within thirty (30) days of the date the county assessor sent the notice
30 to the taxpayer pursuant to this section.

31 (d) For purposes of calculating the tax, the amount of the recovered
32 property tax shall be for each year the exemption allowed by this sec-
33 tion was improperly claimed or approved, up to a maximum of seven (7)
34 years. The amount of the recovery of property tax shall be calculated
35 using the product of the amount of exempted value for each year multi-
36 plied by the levy for that year plus costs, late charges and interest for
37 each year at the rates equal to those provided for delinquent property
38 taxes during that year. In cases of fraud, the fine set forth in subsec-
39 tion (6) (d) of this section shall be assessed for each tax year.

40 (e) Any recovery of property tax shall be due and payable no later than
41 the date provided for property taxes in section 63-903, Idaho Code, and
42 if not timely paid, late charges and interest, beginning the first day
43 of January in the year following the year the county assessor sent the
44 notice to the taxpayer pursuant to this section, shall be calculated at
45 the current rate provided for property taxes.

46 (f) Recovered property taxes shall be billed, collected and dis-
47 tributed in the same manner as property taxes. If the recovery is
48 for property tax for which the state provided replacement money, the
49 amounts recovered shall be reported and remitted to the state tax
50 commission, which shall reimburse the general fund. The state tax com-

1 mission will then notify each affected taxing district or unit of its
 2 proportionate share of the recovered property tax, which amount shall
 3 be deducted from future payments to be made pursuant to subsection (34)
 4 of this section.

5 (g) Thirty (30) days after the taxpayer is notified, as provided in
 6 paragraph (a) of this subsection, the assessor shall record a notice
 7 of intent to attach a lien. Upon the payment in full of such recov-
 8 ered property taxes prior to the attachment of the lien as provided in
 9 paragraph (h) of this subsection, or upon the successful appeal by the
 10 taxpayer, the county assessor shall record a rescission of the intent to
 11 attach a lien within seven (7) business days of receiving such payment
 12 or within seven (7) business days of the county commissioners' decision
 13 granting the appeal.

14 (h) Any unpaid recovered property taxes shall become a lien upon the
 15 taxpayer's personal property in the same manner as provided for prop-
 16 erty taxes in section 63-206, Idaho Code, except such lien shall attach
 17 as of the first day of January in the year following the year the county
 18 treasurer sent the notice to the taxpayer pursuant to this section.

19 (i) For purposes of the limitation provided by section 63-802, Idaho
 20 Code, moneys received pursuant to this subsection as recovery of prop-
 21 erty tax shall be treated as property tax revenue.

22 (8) For operating property with values apportioned to more than one (1)
 23 county, the personal property exemption shall be subtracted from the Idaho
 24 allocated value prior to apportionment and, for private railcar companies,
 25 prior to determining whether their values are to be apportioned. Notwith-
 26 standing amounts calculated as provided in subsection (1) of this section,
 27 the amount of the exemption otherwise provided in subsection (2) of this sec-
 28 tion shall be calculated as follows:

29 (a) Take the lesser amount of:

30 (i) The number of counties in which a company has operating prop-
 31 erty multiplied by ~~one~~ two hundred fifty thousand dollars (~~\$100~~
 32 250,000); or

33 (ii) The total statewide value of eligible personal property re-
 34 ported by the company.

35 (b) Reduce the amount calculated in paragraph (a) of this subsection by
 36 the value of any nonoperating personal property granted the exemption
 37 otherwise found in subsection (2) of this section, as reported by county
 38 assessors.

39 SECTION 2. That Section 63-803, Idaho Code, be, and the same is hereby
 40 amended to read as follows:

41 63-803. CERTIFICATION OF BUDGETS IN DOLLARS. (1) Whenever any taxing
 42 district is required by law to certify to any county treasurer, county audi-
 43 tor, county assessor, county commissioners or to any other county officer,
 44 any property tax levy, upon property located within said district, such cer-
 45 tification shall, notwithstanding any other provision of the law applicable
 46 to any such district, be made at the time and in the manner hereinafter pro-
 47 vided.

48 (2) The county auditor shall inform each of the taxing districts within
 49 his county of the taxable value of that district as soon as such value is

1 known to the auditor, whether the value comes from the appraisal and assess-
2 ment of real and personal property, or from allocation of the taxable value
3 of operating property, or from other sources.

4 (3) Using the taxable value of the district, the council, trustees,
5 board or other governing body of any taxing district shall certify the total
6 amount required from a property tax upon property within the district to
7 raise the amount of money fixed by their budget as previously prepared or
8 approved. The amount of money so determined shall be certified in dollars
9 to the appropriate county commissioners. Any taxing unit, except regional
10 airport authorities, located in more than one (1) county shall divide its
11 dollar budget for certification to the separate counties by multiplying the
12 amount of such budget by a fraction, the numerator of which shall be the total
13 taxable value of all property in such taxing unit within the county to which
14 such certification is to be made, and the denominator of which shall be the
15 total taxable value of property in such taxing unit in all such counties.
16 Budget certification to the participating counties of regional airport
17 authorities shall be made in the manner prescribed in section 21-807(10),
18 Idaho Code. Taxable value shall be certified by the county auditor of each
19 affected county to such taxing unit and such certification shall be used in
20 this formula. Except as provided in section 33-805, Idaho Code, relating to
21 school emergency fund levies, the certification to the county commissioners
22 required in this section shall be made not later than the Thursday prior
23 to the second Monday in September, unless, upon application therefor, the
24 county commissioners grant an extension of not more than seven (7) working
25 days. After receipt of this certification, the county commissioners shall
26 make a tax levy as a percent of taxable value of all property in the taxing
27 district which, when applied to the tax rolls, will meet the budget require-
28 ments certified by such taxing districts.

29 (4) Except as provided in subsection (1)(a) through (e) of section
30 50-2908, Idaho Code, for the purpose of this section, "taxable value" shall
31 mean the portion of the equalized assessed value, less any exemptions,
32 except the additional exemption for personal property as defined in section
33 63-602KK(3)(a), Idaho Code, and the value that exceeds the value of the
34 base assessment roll for the portion of any taxing district within a revenue
35 allocation area of an urban renewal district, located within each taxing
36 district which certifies a budget to be raised from a property tax levy. When
37 the county auditor is notified of revenues sufficient to cover expenses as
38 provided in section 50-2903(5), Idaho Code, taxable value shall also include
39 the value that exceeds the value of the base assessment roll for the portion
40 of any taxing district within a revenue allocation area. For each taxing
41 district, taxable value shall include the value from the property and oper-
42 ating property rolls for the current year and subsequent and missed property
43 rolls for the prior year or the best estimate of the subsequent and missed
44 property rolls for the current year.

45 SECTION 3. That Section 63-803, Idaho Code, as amended by Section 2,
46 Chapter 37, Laws of 2014, be, and the same is hereby amended to read as fol-
47 lows:

48 63-803. CERTIFICATION OF BUDGETS IN DOLLARS. (1) Whenever any taxing
49 district is required by law to certify to any county treasurer, county audi-

1 tor, county assessor, county commissioners or to any other county officer,
2 any property tax levy, upon property located within said district, such cer-
3 tification shall, notwithstanding any other provision of the law applicable
4 to any such district, be made at the time and in the manner hereinafter pro-
5 vided.

6 (2) The county auditor shall inform each of the taxing districts within
7 his county of the taxable value of that district as soon as such value is
8 known to the auditor, whether the value comes from the appraisal and assess-
9 ment of real and personal property, or from allocation of the taxable value
10 of operating property, or from other sources.

11 (3) Using the taxable value of the district, the council, trustees,
12 board or other governing body of any taxing district shall certify the total
13 amount required from a property tax upon property within the district to
14 raise the amount of money fixed by their budget as previously prepared or
15 approved. The amount of money so determined shall be certified in dollars
16 to the appropriate county commissioners. Any taxing unit, except regional
17 airport authorities, located in more than one (1) county shall divide its
18 dollar budget for certification to the separate counties by multiplying the
19 amount of such budget by a fraction, the numerator of which shall be the total
20 taxable value of all property in such taxing unit within the county to which
21 such certification is to be made, and the denominator of which shall be the
22 total taxable value of property in such taxing unit in all such counties.
23 Budget certification to the participating counties of regional airport
24 authorities shall be made in the manner prescribed in section 21-807(10),
25 Idaho Code. Taxable value shall be certified by the county auditor of each
26 affected county to such taxing unit and such certification shall be used in
27 this formula. Except as provided in section 33-805, Idaho Code, relating to
28 school emergency fund levies, the certification to the county commissioners
29 required in this section shall be made not later than the Thursday prior
30 to the second Monday in September, unless, upon application therefor, the
31 county commissioners grant an extension of not more than seven (7) working
32 days. After receipt of this certification, the county commissioners shall
33 make a tax levy as a percent of taxable value of all property in the taxing
34 district which, when applied to the tax rolls, will meet the budget require-
35 ments certified by such taxing districts.

36 (4) Except as provided in subsection (1)(a) through (e) of section
37 50-2908, Idaho Code, for the purpose of this section, "taxable value" shall
38 mean the portion of the equalized assessed value, less any exemptions, and
39 the value that exceeds the value of the base assessment roll for the portion
40 of any taxing district within a revenue allocation area of an urban renewal
41 district, located within each taxing district which certifies a budget to be
42 raised from a property tax levy. When the county auditor is notified of rev-
43 enues sufficient to cover expenses as provided in section 50-2903(5), Idaho
44 Code, taxable value shall also include the value that exceeds the value of
45 the base assessment roll for the portion of any taxing district within a rev-
46 enue allocation area. For each taxing district, taxable value shall include
47 the value from the property and operating property rolls for the current
48 year and subsequent and missed property rolls for the prior year or the best
49 estimate of the subsequent and missed property rolls for the current year.

1 For the year 2017 only, "taxable value" includes the additional exemption
2 for personal property as defined in section 63-602KK(3) (a), Idaho Code.

3 SECTION 4. That Section 63-3638, Idaho Code, be, and the same is hereby
4 amended to read as follows:

5 63-3638. SALES TAX -- DISTRIBUTION. All moneys collected under this
6 chapter, except as may otherwise be required in sections 63-3203 and
7 63-3709, Idaho Code, shall be distributed by the state tax commission as
8 follows:

9 (1) An amount of money shall be distributed to the state refund account
10 sufficient to pay current refund claims. All refunds authorized under this
11 chapter by the state tax commission shall be paid through the state refund
12 account, and those moneys are continuously appropriated.

13 (2) Five million dollars (\$5,000,000) per year is continuously appro-
14 priated and shall be distributed to the permanent building fund, provided by
15 section 57-1108, Idaho Code.

16 (3) Four million eight hundred thousand dollars (\$4,800,000) per year
17 is continuously appropriated and shall be distributed to the water pollution
18 control account established by section 39-3628, Idaho Code.

19 (4) An amount equal to the sum required to be certified by the chair-
20 man of the Idaho housing and finance association to the state tax commis-
21 sion pursuant to section 67-6211, Idaho Code, in each year is continuously
22 appropriated and shall be paid to any capital reserve fund, established by
23 the Idaho housing and finance association pursuant to section 67-6211, Idaho
24 Code. Such amounts, if any, as may be appropriated hereunder to the capital
25 reserve fund of the Idaho housing and finance association shall be repaid for
26 distribution under the provisions of this section, subject to the provisions
27 of section 67-6215, Idaho Code, by the Idaho housing and finance associa-
28 tion, as soon as possible, from any moneys available therefor and in excess
29 of the amounts which the association determines will keep it self-support-
30 ing.

31 (5) An amount equal to the sum required by the provisions of sections
32 63-709 and 63-717, Idaho Code, after allowance for the amount appropriated
33 by section 63-718(3), Idaho Code, is continuously appropriated and shall be
34 paid as provided by sections 63-709 and 63-717, Idaho Code.

35 (6) An amount required by the provisions of chapter 53, title 33, Idaho
36 Code.

37 (7) An amount required by the provisions of chapter 87, title 67, Idaho
38 Code.

39 (8) For fiscal year 2011, and each fiscal year thereafter, four million
40 one hundred thousand dollars (\$4,100,000), of which two million two hundred
41 thousand dollars (\$2,200,000) shall be distributed to each of the forty-four
42 (44) counties in equal amounts, and one million nine hundred thousand dol-
43 lars (\$1,900,000) of which shall be distributed to the forty-four (44) coun-
44 ties in the proportion that the population of the county bears to the popula-
45 tion of the state. For fiscal year 2012, and for each fiscal year thereafter,
46 the amount distributed pursuant to this subsection, shall be adjusted annu-
47 ally by the state tax commission in accordance with the consumer price index
48 for all urban consumers (CPI-U) as published by the U.S. department of la-
49 bor, bureau of labor statistics, but in no fiscal year shall the total amount

1 allocated for counties under this subsection, be less than four million one
2 hundred thousand dollars (\$4,100,000). Any increase resulting from the ad-
3 justment required in this section shall be distributed to each county in the
4 proportion that the population of the county bears to the population of the
5 state. Each county shall establish a special election fund to which shall be
6 deposited all revenues received from the distribution pursuant to this sub-
7 section. All such revenues shall be used exclusively to defray the costs as-
8 sociated with conducting elections as required of county clerks by the pro-
9 visions of section 34-1401, Idaho Code.

10 (9) One dollar (\$1.00) on each application for certificate of title
11 or initial application for registration of a motor vehicle, snowmobile,
12 all-terrain vehicle or other vehicle processed by the county assessor or the
13 Idaho transportation department excepting those applications in which any
14 sales or use taxes due have been previously collected by a retailer, shall be
15 a fee for the services of the assessor of the county or the Idaho transporta-
16 tion department in collecting such taxes, and shall be paid into the current
17 expense fund of the county or state highway account established in section
18 40-702, Idaho Code.

19 (10) Eleven and five-tenths percent (11.5%) is continuously appropri-
20 ated and shall be distributed to the revenue sharing account which is created
21 in the state treasury, and the moneys in the revenue sharing account will be
22 paid in installments each calendar quarter by the state tax commission as
23 follows:

24 (a) Twenty-eight and two-tenths percent (28.2%) shall be paid to the
25 various cities as follows:

26 (i) Fifty percent (50%) of such amount shall be paid to the vari-
27 ous cities, and each city shall be entitled to an amount in the pro-
28 portion that the population of that city bears to the population of
29 all cities within the state; and

30 (ii) Fifty percent (50%) of such amount shall be paid to the vari-
31 ous cities, and each city shall be entitled to an amount in the pro-
32 portion that the preceding year's market value for assessment pur-
33 poses for that city bears to the preceding year's market value for
34 assessment purposes for all cities within the state.

35 (b) Twenty-eight and two-tenths percent (28.2%) shall be paid to the
36 various counties as follows:

37 (i) One million three hundred twenty thousand dollars
38 (\$1,320,000) annually shall be distributed one forty-fourth
39 (1/44) to each of the various counties; and

40 (ii) The balance of such amount shall be paid to the various coun-
41 ties, and each county shall be entitled to an amount in the propor-
42 tion that the population of that county bears to the population of
43 the state;

44 (c) Thirty-five and nine-tenths percent (35.9%) of the amount appro-
45 priated in this subsection shall be paid to the several counties for
46 distribution to the cities and counties as follows:

47 (i) Each city and county which received a payment under the provi-
48 sions of section 63-3638(e), Idaho Code, during the fourth quarter
49 of calendar year 1999, shall be entitled to a like amount during
50 succeeding calendar quarters.

1 (ii) If the dollar amount of money available under this subsection
2 (10) (c) in any quarter does not equal the amount paid in the fourth
3 quarter of calendar year 1999, each city's and county's payment
4 shall be reduced proportionately.

5 (iii) If the dollar amount of money available under this subsec-
6 tion (10) (c) in any quarter exceeds the amount paid in the fourth
7 quarter of calendar year 1999, each city and county shall be en-
8 titled to a proportionately increased payment, but such increase
9 shall not exceed one hundred five percent (105%) of the total pay-
10 ment made in the fourth quarter of calendar year 1999.

11 (iv) If the dollar amount of money available under this subsection
12 (10) (c) in any quarter exceeds one hundred five percent (105%) of
13 the total payment made in the fourth quarter of calendar year 1999,
14 any amount over and above such one hundred five percent (105%)
15 shall be paid fifty percent (50%) to the various cities in the pro-
16 portion that the population of the city bears to the population of
17 all cities within the state, and fifty percent (50%) to the various
18 counties in the proportion that the population of a county bears to
19 the population of the state; and

20 (d) Seven and seven-tenths percent (7.7%) of the amount appropriated in
21 this subsection shall be paid to the several counties for distribution
22 to special purpose taxing districts as follows:

23 (i) Each such district which received a payment under the provi-
24 sions of section 63-3638 (e), Idaho Code, during the fourth quarter
25 of calendar year 1999, shall be entitled to a like amount during
26 succeeding calendar quarters.

27 (ii) If the dollar amount of money available under this subsec-
28 tion (10) (d) in any quarter does not equal the amount paid in the
29 fourth quarter of calendar year 1999, each special purpose taxing
30 district's payment shall be reduced proportionately.

31 (iii) If the dollar amount of money available under this subsec-
32 tion (10) (d) in any quarter exceeds the amount distributed under
33 paragraph (i) of this subsection (10) (d), each special purpose
34 taxing district shall be entitled to a share of the excess based on
35 the proportion each such district's current property tax budget
36 bears to the sum of the current property tax budgets of all such
37 districts in the state. The state tax commission shall calculate
38 district current property tax budgets to include any unrecovered
39 foregone amounts as determined under section 63-802(1) (e), Idaho
40 Code. When a special purpose taxing district is situated in more
41 than one (1) county, the state tax commission shall determine the
42 portion attributable to the special purpose taxing district from
43 each county in which it is situated.

44 (iv) If special purpose taxing districts are consolidated, the
45 resulting district is entitled to a base amount equal to the sum of
46 the base amounts which were received in the last calendar quarter
47 by each district prior to the consolidation.

48 (v) If a special purpose taxing district is dissolved or disin-
49 corporated, the state tax commission shall continuously distrib-
50 ute to the board of county commissioners an amount equal to the

1 last quarter's distribution prior to dissolution or disincorpora-
2 tion. The board of county commissioners shall determine any re-
3 distribution of moneys so received.

4 (vi) Taxing districts formed after January 1, 2001, are not enti-
5 tled to a payment under the provisions of this subsection (10) (d).

6 (vii) For purposes of this subsection (10) (d), a special purpose
7 taxing district is any taxing district which is not a city, a
8 county or a school district.

9 (11) Amounts calculated in accordance with section 2, chapter 356, laws
10 of 2001, for annual distribution to counties and other taxing districts be-
11 ginning in October 2001 for replacement of property tax on farm machinery and
12 equipment exempted pursuant to section 63-602EE, Idaho Code. For nonschool
13 districts, the state tax commission shall distribute one-fourth (1/4) of
14 this amount certified quarterly to each county. For school districts, the
15 state tax commission shall distribute one-fourth (1/4) of the amount certi-
16 fied quarterly to each school district. For nonschool districts, the county
17 auditor shall distribute to each district within thirty (30) calendar days
18 from receipt of moneys from the state tax commission. Moneys received by
19 each taxing district for replacement shall be utilized in the same manner
20 and in the same proportions as revenues from property taxation. The moneys
21 remitted to the county treasurer for replacement of property exempt from
22 taxation pursuant to section 63-602EE, Idaho Code, may be considered by the
23 counties and other taxing districts and budgeted at the same time, in the
24 same manner and in the same year as revenues from taxation on personal prop-
25 erty which these moneys replace. If taxing districts are consolidated, the
26 resulting district is entitled to an amount equal to the sum of the amounts
27 which were received in the last calendar quarter by each district pursuant
28 to this subsection prior to the consolidation. If a taxing district is
29 dissolved or disincorporated, the state tax commission shall continuously
30 distribute to the board of county commissioners an amount equal to the
31 last quarter's distribution prior to dissolution or disincorporation. The
32 board of county commissioners shall determine any redistribution of moneys
33 so received. If a taxing district annexes territory, the distribution of
34 moneys received pursuant to this subsection shall be unaffected. Taxing
35 districts formed after January 1, 2001, are not entitled to a payment under
36 the provisions of this subsection. School districts shall receive an amount
37 determined by multiplying the sum of the year 2000 school district levy mi-
38 nus .004 times the market value on December 31, 2000, in the district of the
39 property exempt from taxation pursuant to section 63-602EE, Idaho Code, pro-
40 vided that the result of these calculations shall not be less than zero (0).
41 The result of these school district calculations shall be further increased
42 by six percent (6%). For purposes of the limitation provided by section
43 63-802, Idaho Code, moneys received pursuant to this section as property tax
44 replacement for property exempt from taxation pursuant to section 63-602EE,
45 Idaho Code, shall be treated as property tax revenues.

46 (12) Amounts necessary to pay refunds as provided in section 63-3641,
47 Idaho Code, to a developer of a retail complex shall be remitted to the demon-
48 stration pilot project fund created in section 63-3641, Idaho Code.

49 (13) Amounts calculated in accordance with subsection (4) of section
50 63-602KK, Idaho Code, for annual distribution to counties and other taxing

1 districts for replacement of property tax on personal property tax exemp-
2 tions pursuant to subsection (2) of section 63-602KK, Idaho Code, which
3 amounts are continuously appropriated unless the legislature enacts a dif-
4 ferent appropriation for a particular fiscal year. For purposes of the
5 limitation provided by section 63-802, Idaho Code, moneys received pursuant
6 to this section as property tax replacement for property exempt from taxa-
7 tion pursuant to section 63-602KK, Idaho Code, shall be treated as property
8 tax revenues. If taxing districts are consolidated, the resulting district
9 is entitled to an amount equal to the sum of the amounts that were received in
10 the last calendar year by each district pursuant to this subsection prior to
11 the consolidation. If a taxing district or revenue allocation area annexes
12 territory, the distribution of moneys received pursuant to this subsection
13 shall be unaffected. Taxing districts and revenue allocation areas formed
14 after January 1, ~~2013~~ 2017, are not entitled to a payment under the provi-
15 sions of this subsection.

16 (14) Amounts collected from purchasers and paid to the state of Idaho by
17 retailers that are not engaged in business in this state and which retailer
18 would not have been required to collect the sales tax, less amounts other-
19 wise distributed in subsections (1) and (10) of this section, shall be dis-
20 tributed to the tax relief fund created in section 57-811, Idaho Code. The
21 state tax commission will determine the amounts to be distributed under this
22 subsection.

23 (15) Any moneys remaining over and above those necessary to meet and
24 reserve for payments under other subsections of this section shall be dis-
25 tributed to the general fund.

26 SECTION 5. An emergency existing therefor, which emergency is hereby
27 declared to exist, the provisions of Sections 1, 2 and 4 of this act shall be
28 in full force and effect on and after passage and approval, and retroactively
29 to January 1, 2017. The provisions of Section 3 of this act shall be in full
30 force and effect on and after July 1, 2017.