

IN THE SENATE

SENATE BILL NO. 1107

BY STATE AFFAIRS COMMITTEE

AN ACT

1 RELATING TO PROPERTY TAX REDUCTION; AMENDING SECTION 63-705, IDAHO CODE, TO
2 REVISE PROVISIONS REGARDING ELIGIBILITY FOR THE PROPERTY TAX REDUCTION
3 PROGRAM; AND DECLARING AN EMERGENCY AND PROVIDING RETROACTIVE APPLICA-
4 TION.
5

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

7 SECTION 1. That Section 63-705, Idaho Code, be, and the same is hereby
8 amended to read as follows:

9 63-705. PUBLICATION OF CHANGES IN INCOME LIMITATIONS AND PROPERTY TAX
10 OR OCCUPANCY TAX REDUCTION AMOUNTS.

11 (1) (a) The state tax commission shall publish adjustments to the income
12 limitations, which shall be the greater of:

13 (i) An individual's income as defined in section 63-701, Idaho
14 Code, of not more than ~~thirty-one thousand nine hundred dollars~~
15 ~~(\$31,900)~~ thirty-seven thousand dollars (\$37,000) per household
16 for tax year ~~2021~~ 2023 and each tax year thereafter; or

17 (ii) One hundred eighty-five percent (185%) of the federal
18 poverty guidelines for a household of two (2) for tax year 2021 and
19 each tax year thereafter.

20 (b) On and after January 1, ~~2022~~ 2023, if the current year's assessed
21 value of the home owned by the individual, according to the current
22 year's assessment notice, exceeds the greater of three hundred thou-
23 sand dollars (\$300,000) or ~~one hundred fifty percent (150%)~~ two hundred
24 fifty percent (250%) of the median assessed valuation for all homes
25 in the county receiving the homestead exemption pursuant to section
26 63-602G, Idaho Code, then the individual will instead be referred to
27 the property tax deferral program set forth in sections 63-712 through
28 63-721, Idaho Code. Using the current year's assessed values, each
29 county shall report the median assessed value of all properties receiv-
30 ing the homestead exemption in such county as of that date to the state
31 tax commission no later than the first Monday in June. Provided, how-
32 ever, the provisions of this paragraph do not apply to a veteran with
33 either a service-connected disability of one hundred percent (100%) or
34 a disability rating based on individual unemployability rating that is
35 compensated at the one hundred percent (100%) disability rate, as cer-
36 tified by the United States department of veterans affairs.

37 (c) The lowest income limitation shall allow a maximum reduction of one
38 thousand five hundred dollars (\$1,500) in tax year 2021 and thereafter,
39 or actual property taxes or occupancy taxes, as applicable, whichever
40 is less. Each income limitation and reduction amount shall be prorated
41 based on the basic maximum reduction, in practicable increments so that

1 the highest income limitation will provide for a reduction of two hun-
2 dred fifty dollars (\$250), or actual property taxes, whichever is less.

3 (2) The state tax commission shall publish the adjustments required by
4 this section each and every year the secretary of health and human services
5 announces cost-of-living modifications, pursuant to 42 U.S.C. 415(i). The
6 adjustments shall be published no later than October 1 of each such year and
7 shall be effective for claims filed in and for the following property tax
8 year.

9 (3) The publication of adjustments under this section shall be exempt
10 from the provisions of chapter 52, title 67, Idaho Code, but shall be pro-
11 vided to each county and to members of the public upon request and without
12 charge.

13 SECTION 2. An emergency existing therefor, which emergency is hereby
14 declared to exist, this act shall be in full force and effect on and after its
15 passage and approval, and retroactively to January 1, 2023.