

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 587, As Amended in the Senate

BY REVENUE AND TAXATION COMMITTEE

AN ACT

RELATING TO HIGHWAY DISTRICT LEVIES; AMENDING SECTION 50-2908, IDAHO CODE,
TO REVISE PROVISIONS REGARDING THE TAX REVENUE PAID TO A HIGHWAY DIS-
TRICT THAT INCLUDES A REVENUE ALLOCATION AREA, TO PROVIDE EXCEPTIONS,
AND TO MAKE A TECHNICAL CORRECTION.

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

SECTION 1. That Section 50-2908, Idaho Code, be, and the same is hereby
amended to read as follows:

50-2908. DETERMINATION OF TAX LEVIES -- CREATION OF SPECIAL FUND. (1)
For purposes of calculating the rate at which taxes shall be levied by or
for each taxing district in which a revenue allocation area is located, the
county commissioners shall, with respect to the taxable property located in
such revenue allocation area, use the equalized assessed value of such tax-
able property as shown on the base assessment roll rather than on the current
equalized assessed valuation of such taxable property, except the current
equalized assessed valuation shall be used for calculating the tax rate for:

(a) Levies for refunds and credits pursuant to section 63-1305, Idaho
Code, and any judgment pursuant to section 33-802(1), Idaho Code, certi-
fied after December 31, 2007;

(b) Levies permitted pursuant to section 63-802(3), Idaho Code, certi-
fied after December 31, 2007;

(c) Levies for voter-approved general obligation bonds of any taxing
district and plant facility reserve fund levies passed after December
31, 2007;

(d) Levies for payment of obligations that have been judicially con-
firmed pursuant to chapter 13, title 7, Idaho Code, and that meet the
criteria of sections 63-1315 and 63-1316, Idaho Code;

(e) Levies set forth in paragraphs (a) through (d) of this subsection,
first certified prior to December 31, 2007, when the property affected
by said levies is included within the boundaries of a revenue allocation
area by a change in the boundaries of either the revenue allocation area
or any taxing district after December 31, 2007; and

(f) School levies for supplemental maintenance and operation pursuant
to section 33-802(3) and (4), Idaho Code, approved after December 31,
2007, and for emergency funds pursuant to section 33-805, Idaho Code,
approved after July 1, 2015.

(2) With respect to each such taxing district, the tax rate calculated
under subsection (1) of this section shall be applied to the current equal-
ized assessed valuation of all taxable property in the taxing district, in-
cluding the taxable property in the revenue allocation area. The tax rev-
enues thereby produced shall be allocated as follows:

1 (a) To the taxing district shall be allocated and shall be paid by the
2 county treasurer:

3 (i) All taxes levied by the taxing district or on its behalf on
4 taxable property located within the taxing district but outside
5 the revenue allocation area;

6 (ii) Except as otherwise provided in subparagraph (iv) of this
7 paragraph, a A portion of the taxes levied by the taxing district
8 or on its behalf on the taxable property located within the revenue
9 allocation area, which portion is the amount produced by applying
10 the taxing district's tax rate determined under subsection (1) of
11 this section to the equalized assessed valuation, as shown on the
12 base assessment roll, of the taxable property located within the
13 revenue allocation area; and

14 (iii) All taxes levied by the taxing district to satisfy obliga-
15 tions specified in subsection (1) of this section; and

16 (iv) In the case of a revenue allocation area first formed or ex-
17 expanded to include the property on or after July 1, 2020, all taxes
18 levied by any highway district, unless the local governing body
19 that created the revenue allocation area has responsibility for
20 the maintenance of roads or highways. In the case of property lo-
21 cated within a revenue allocation area prior to July 1, 2020, or
22 property located within a revenue allocation area created by a lo-
23 cal governing body that has responsibility for the maintenance of
24 roads or highways, the allocation of taxes shall be governed by
25 subparagraph (ii) of this paragraph. In any case, the highway dis-
26 trict and the urban renewal agency may enter into an agreement for
27 a different allocation. A copy of any such agreement shall be sub-
28 mitted to the state tax commission and to the county clerk by the
29 highway district as soon as practicable after the parties have en-
30 tered into the contract and by no later than September 1 of the year
31 in which the agreement takes effect.

32 (b) To the urban renewal agency shall be allocated the balance, if any,
33 of the taxes levied on the taxable property located within the revenue
34 allocation area.

35 (3) Upon enactment of an ordinance adopting a revenue allocation fi-
36 nancing provision as part of an urban renewal plan, the urban renewal agency
37 shall create a special fund or funds to be used for the purposes enumerated
38 in this chapter. The revenues allocated to the urban renewal agency pursuant
39 to this chapter shall be paid to the agency by the treasurer of the county in
40 which the revenue allocation district is located and shall be deposited by
41 the agency into one (1) or more of such special funds. The agency may, in ad-
42 dition, deposit into such special fund or funds such other income, proceeds,
43 revenues and funds it may receive from sources other than the revenues allo-
44 cated to it under subsection (2) (b) of this section.

45 (4) For the purposes of section 63-803, Idaho Code, during the period
46 when revenue allocation under this chapter is in effect, and solely with
47 respect to any taxing district in which a revenue allocation area is located,
48 the county commissioners shall, in fixing any tax levy other than a levy
49 specified in subsection (1) of this section, take into consideration the
50 equalized assessed valuation of the taxable property situated in the revenue

1 allocation area as shown in the base assessment roll, rather than the current
2 equalized assessed value of such taxable property.

3 (5) For all other purposes, including, without limitation, for pur-
4 poses of sections 33-802, 33-1002 and 63-1313, Idaho Code, reference in the
5 Idaho Code to the term "market value for assessment purposes" (or any other
6 such similar term) shall mean market value for assessment purposes as de-
7 fined in section 63-208, Idaho Code.