

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 120

BY REVENUE AND TAXATION COMMITTEE

AN ACT

RELATING TO VETERANS; AMENDING SECTION 63-702, IDAHO CODE, TO REVISE PROVISIONS REGARDING CERTAIN PROPERTY TAX REDUCTIONS; AND AMENDING SECTION 63-705A, IDAHO CODE, TO REVISE PROVISIONS REGARDING CERTAIN TAX REDUCTIONS FOR DISABLED VETERANS; AND DECLARING AN EMERGENCY.

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

SECTION 1. That Section 63-702, Idaho Code, be, and the same is hereby amended to read as follows:

63-702. REDUCTION IN PROPERTY TAXES OR OCCUPANCY TAXES -- CLAIM IS PERSONAL -- EXCEPTIONS.

(1) (a) A property tax reduction shall be allowed pursuant to the provisions of sections 63-701 through 63-710, Idaho Code, if the owner occupies the residential improvements after January 1 but before April 15, and if no other property tax reductions or occupancy tax reductions under this section have been claimed by the owner for the same year.

(b) An occupancy tax reduction shall be allowed pursuant to the provisions of sections 63-701 through 63-710, Idaho Code, if the owner occupies the newly constructed residential improvements at any time during the year and has not filed for a property tax reduction or occupancy tax reduction under this section on any other homestead for the same year.

(c) (i) Notwithstanding any other provision of law, an owner may transfer his property tax reduction or occupancy tax reduction benefits upon changing his residence after April 15 if he meets all of the following requirements:

1. The owner is a veteran with a service-connected disability of one hundred percent (100%) or a disability rating based on individual unemployability rating that is compensated at the one hundred percent (100%) disability rate, as certified by the United States department of veterans affairs;

2. The owner has applied for and been granted the tax reduction benefit under this section before April 15;

3. After April 15 but before October 1, the qualified veteran has changed his homestead to a separate property that, but for the date requirements, would qualify for a reduction under this section; and

4. The owner has notified the state tax commission before October 1 of the desire to transfer his tax reduction benefits to the qualifying property.

(ii) The state tax commission must notify the appropriate county officials to transfer the tax reduction benefits to the property qualifying for the tax reduction.

1 (2) The right to file a claim under the provisions of sections 63-701
2 through 63-710, Idaho Code, shall be personal to the claimant and shall not
3 survive his death except:

4 (a) Such right may be exercised on behalf of a living claimant by an
5 agent authorized in writing to so act, by a guardian or other represen-
6 tative acting pursuant to judicial authority or by any person or entity
7 described in section 63-711(3), Idaho Code. If a claimant dies after
8 having filed a timely claim, the amount thereof shall be allowed to his
9 personal representative, if one is appointed, or to surviving heirs or
10 to the trust or other entity owning the property, as appropriate; and

11 (b) In the case of property owned by an estate, revocable trust, irrev-
12 ocable trust, limited partnership, limited liability company or corpo-
13 ration, where the deceased person's widow or widower succeeds to the in-
14 terest of the deceased person in that entity and occupies the dwelling
15 as required in this chapter, the deceased owner's widow or widower, or
16 any person or entity described in section 63-711(3), Idaho Code, on be-
17 half of that widow or widower:

18 (i) May file a claim on behalf of the deceased spouse if the de-
19 ceased spouse qualified or would have qualified as a claimant un-
20 der subsection (1) of this section in the year in which the claim is
21 filed; or

22 (ii) The widow or widower shall be deemed the owner of the property
23 in any year after the year of the death of the spouse.

24 SECTION 2. That Section 63-705A, Idaho Code, be, and the same is hereby
25 amended to read as follows:

26 63-705A. SPECIAL PROPERTY TAX OR OCCUPANCY TAX REDUCTION FOR DISABLED
27 VETERANS. (1) For tax year 2020 and thereafter, regardless of any reduc-
28 tion received under section 63-705, Idaho Code, a veteran with a service-
29 connected disability of one hundred percent (100%) or a disability rating
30 based on individual unemployability rating that is compensated at the one
31 hundred percent (100%) disability rate, as certified by the United States
32 department of veterans affairs, shall receive a special reduction in prop-
33 erty taxes or occupancy taxes levied on his homestead, as defined in section
34 63-701, Idaho Code. The special tax reduction shall be in the amount of one
35 thousand three hundred twenty dollars (\$1,320) or for the amount of the vet-
36 eran's actual property taxes or occupancy taxes, as applicable, whichever is
37 less. If a veteran qualifies for tax reduction under both this section and
38 section 63-705, Idaho Code, the combined tax reduction amount may not exceed
39 the actual amount of the veteran's property taxes or occupancy taxes on his
40 homestead.

41 (2) An applicant for a special property tax or occupancy tax reduction
42 under this section shall comply with all procedural requirements set forth
43 in sections 63-701 through 63-710, Idaho Code, with the exception of any in-
44 come documentation and the exception of the date limitations as set forth in
45 subsection (4) of this section.

46 (3) In the event that a qualified veteran applies for the special tax
47 reduction in this section but then dies, the veteran's surviving spouse is
48 entitled to receive the special tax reduction in that year and subsequent

1 years, until such time as the surviving spouse remarries, dies, or no longer
2 has property tax levied on the homestead.

3 (4) If a qualified veteran has applied for the special tax reduction
4 under this section but after April 15 changes his homestead to a different
5 property that would otherwise qualify for the special tax reduction under
6 this section, the special tax reduction benefit is available for transfer.
7 The state tax commission must notify the appropriate county officials to
8 transfer the special tax reduction benefit to the qualifying property when
9 all of the following conditions are met:

10 (a) The qualified veteran has applied for and been granted the tax re-
11 duction benefit before April 15;

12 (b) After April 15 but before October 1, the qualified veteran has
13 changed his homestead to a separate property that would otherwise qual-
14 ify for the special tax reduction authorized under this section; and

15 (c) The qualified veteran notifies the state tax commission before Oc-
16 tober 1 of the desire to transfer the tax reduction benefits to the qual-
17 ifying property.

18 SECTION 3. An emergency existing therefor, which emergency is hereby
19 declared to exist, this act shall be in full force and effect on and after its
20 passage and approval.