

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 36

BY BERCH

AN ACT

1 RELATING TO PROPERTY TAX REDUCTION; AMENDING SECTION 63-705, IDAHO CODE, TO  
2 REMOVE A CERTAIN LIMITATION OF ELIGIBILITY FOR THE PROPERTY TAX REDUC-  
3 TION PROGRAM; AND DECLARING AN EMERGENCY AND PROVIDING RETROACTIVE AP-  
4 PPLICATION.  
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)~~ (a) 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) per household for tax year 2021 and each tax year thereafter;  
16 or

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

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

36 ~~(c)~~ (2) The lowest income limitation shall allow a maximum reduction  
37 of one thousand five hundred dollars (\$1,500) in tax year 2021 and there-  
38 after, or actual property taxes or occupancy taxes, as applicable, whichever  
39 is less. Each income limitation and reduction amount shall be prorated based  
40 on the basic maximum reduction, in practicable increments so that the high-  
41 est income limitation will provide for a reduction of two hundred fifty dol-  
42 lars (\$250), or actual property taxes, whichever is less.

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

7       ~~(3)~~ (4) The publication of adjustments under this section shall be ex-  
8 empt from the provisions of chapter 52, title 67, Idaho Code, but shall be  
9 provided to each county and to members of the public upon request and without  
10 charge.

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