

HB 574- Truth in Tax Relief

The tax relief in HB 292 from 2023 seems to be being mis-described in ballot language by portraying the relief as long term, permanent, or guaranteed. In November 2023, two Idaho School Districts ran bonds. It appears that the people that wrote the ballot language included information about tax relief from HB 292 which seemed misleading by:

1. Making it appear the tax relief was for the life of their proposed bond.
2. Making it appear the state tax relief was a fixed amount each year.
3. Inferring that the state legislature might fund these levels of tax relief for the life of the 25-30 year bond, putting undo voter expectations on future elected legislators.

All are untrue. HB 574 requires truthful disclosures. If a taxing district includes state tax relief information on their ballot and official communications with their patrons the district must be truthful about that relief. HB 574 requires that if the districts reference this topic on their ballot they are to put to what year the relief is guaranteed to and that it could be a varying amount each year.

Districts can talk to patrons about state tax relief! HB 574 just says they can not put misleading information on the ballot.

Here is the Pocatello School District November 2023 ballot:

The estimated average annual cost to the taxpayer on the proposed bond is a tax of \$37 per \$100,000 of taxable assessed value, per year, based on current conditions. However, the District expects to receive from the State of Idaho school district facilities funds in an amount each year that will exceed the annual payments on the bonds and must first be used to repay the District's bonds. Consequently, the actual estimated tax impact of the bond is \$0 per \$100,000 of taxable assessed value, per year, based on current conditions.

Here is the Shelley School District November 2023 ballot:

The estimated average annual cost to the taxpayer on the proposed bond levy is a tax of \$259 per \$100,000 of taxable assessed value, per year, based on current conditions. However, the District expects to receive from the State of Idaho school district facilities funds each year that will reduce the annual payments on all bonds. Therefore, the annual levy for all of the District's bonds, including the proposed bonds, is expected to be \$221 per \$100,000 of taxable assessed value, per year, based on current conditions.