

County Revenues

Report highlights

December 2020

Property taxes are a key component of county revenues, but data limitations are an ongoing challenge to property tax analysis.

Changes to tax policy could have **disparate impacts** to counties, local government districts, and taxpayers. These impacts are evaluated on an ad hoc basis under time constraints with known limitations.

County budget documents are **not accessible in a timely manner** in the statutorily required, centralized data repository.

County published budgets and audits do **not uniformly report** revenue categories.

Revenue categories reported to the Idaho Tax Commission, other than property tax, **lack specificity**.

Considerations for policymakers

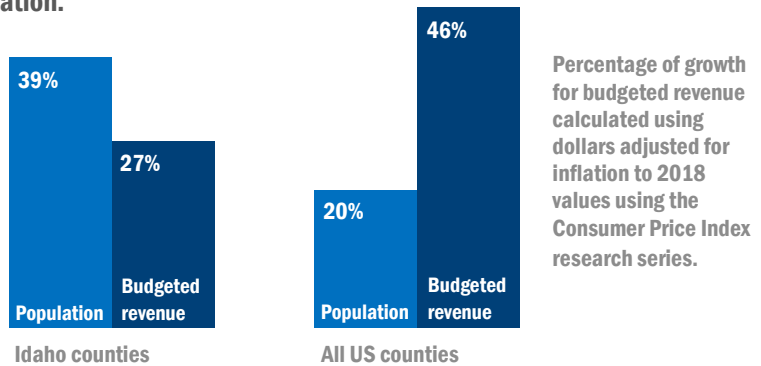
To promote transparency and generate useful information for policymakers, counties and other districts need more explicit direction from the Legislature about which data should be reported.

More resources allocated to the collection and analysis of that data would further promote transparency.

Historical trends in county revenue

In spite of data limitations, we used existing data to describe trends in county revenues:

While Idaho's population grew faster than the inflation-adjusted budgeted county revenue, nationwide budgeted county revenue grew faster than the population.



Percentage of growth, county fiscal years 1996–2016

Budget limits cap property tax growth to 3%, which constrained 20 of 44 counties in 2018.

Five counties had voter approved bonds and no county had a voter approved override levy to circumvent the budget cap in tax year 2019.

Levy limits for the current expense, district court, justice, and charity and indigent levies constrained 20 counties in tax year 2018.

Levy limits are most constraining when market values are in decline.

In 1995–2019, when taxable value increased, the aggregate county levy rate decreased.

Property tax exemptions indirectly impact county budgets by affecting how close the levy rate is to the levy limit.

Property tax exemptions more directly impact taxpayers because exemptions change the proportion of levied tax a property owner must pay.



View the report:
www.legislature.idaho.gov/ope/