

Dear Senators HILL, Corder & Langhorst, and  
Representatives LAKE, Collins & Saylor:

The Legislative Services Office, Research and Legislation, has received the enclosed  
rules of the State Tax Commission:

**IDAPA 35.01.03      Property Tax Administrative Rule - Docket #35-0103-  
0802 - Allocation of Occupancy Tax Revenue**  
**IDAPA 35.01.03      Property Tax Administrative Rule - Docket #35-0103-  
0803 (Temporary) - Tax Rate Calculation**  
**IDAPA 35.01.03      Property Tax Administrative Rule - Docket #35-0103-  
0804 - Disposal of Property Acquired by a County**

Pursuant to Section 67-454, Idaho Code, a meeting on the enclosed rules may be called by  
the cochairmen or by two (2) or more members of the subcommittee giving oral or written notice  
to Research and Legislation no later than fourteen (14) days after receipt of the rules' analysis  
from Legislative Services. The final date to call a meeting on the enclosed rules is no later than  
10-14-08. If a meeting is called, the subcommittee must hold the meeting within forty-two (42)  
days of receipt of the rules' analysis from Legislative Services. The final date to hold a meeting  
on the enclosed rules is 11-11-08.

\_\_\_\_\_The germane joint subcommittee may request a statement of economic impact with  
respect to a proposed rule by notifying Research and Legislation. There is no time limit on  
requesting this statement, and it may be requested whether or not a meeting on the proposed rule  
is called or after a meeting has been held.

To notify Research and Legislation, call 334-2475, or send a written request to the  
address or FAX number indicated on the memorandum enclosed.

## **MEMORANDUM**

**TO:** Germane Subcommittees for Administrative Rules Review of the Senate Local Government and Taxation Committee and the House of Representatives Revenue and Taxation Committee

**FROM:** Mike Nugent, Principal Legislative Research Analyst

**DATE:** September 25, 2008

**SUBJECT:** Temporary and Proposed Rules Regarding the Property Tax of the State Tax Commission Docket Nos. 35-0103-0802, 35-0103-0803 and 35-0103-0804

### **Docket No. 35-0103-0802**

The State Tax Commission is proposing to promulgate as temporary and proposed rules amendments to its property tax administrative rules. House Bill 470 of 2008 changed the allocation of the occupancy tax revenue among taxing districts and urban renewal allocation areas. Payments to districts and revenue allocation areas need to be made for 2008 occupancy and the rules provide instructions to allocate the occupancy tax revenue to the funds listed in House Bill 470 based on the rate computed by using the full equalized value.

Also in 2008, the legislature enacted House Bill 599aa, House Bill 550 and House Bill 562 which provided property tax exemptions if a board of county commissioners declare that all or a portion of the market value of investment in new plant and building facilities meeting certain tax incentives criteria, if certain new capital investments are over \$400,000,000 in a single county and provided a limited exemption for personal property. The Commission indicates that these exemptions need to be known for future fiscal analysis and that these three exemptions need to be reported on the county abstracts which were due July 28, 2008.

### **Docket No. 35-0103-0803**

This rule is being adopted as a temporary rule to calculate the tax rate for certain funds identified in House Bill 470 of 2008 which required that the equalized assessed value be used in computing the tax rate for certain funds located within revenue allocation areas and established after January 1, 2008.

### **Docket No. 35-0103-0804**

These rules are being adopted as proposed rules regarding the property tax. The rules implement the provisions of the previously discussed House Bill 470, House Bill 599aa, House Bill 550 and

House Bill 691 which revised provisions for disposal of property acquired by a county by tax deed; to revise procedures for notice to all parties in interest; and to provide procedures for holding and disposing of excess funds.

It appears that the three sets of rules have been promulgated within the scope of statutory authority granted to the State Tax Commission.

cc: Alan Dornfest, State Tax Commission

## IDAPA 35 - STATE TAX COMMISSION

### 35.01.03 - PROPERTY TAX ADMINISTRATIVE RULES

DOCKET NO. 35-0103-0802

#### NOTICE OF RULEMAKING - TEMPORARY AND PROPOSED RULES

**EFFECTIVE DATE:** The effective date of the temporary rule is January 1, 2008.

**AUTHORITY:** In compliance with Sections 67-5221(1) and 67-5226, Idaho Code, notice is hereby given that this agency has adopted a temporary rule, and proposed rulemaking procedures have been initiated. The action is authorized pursuant to Section 63-105A, Idaho Code.

**PUBLIC HEARING SCHEDULE:** Public hearing(s) concerning this rulemaking will be scheduled if requested in writing by twenty-five (25) persons, a political subdivision, or an agency, not later than October 15, 2008.

The hearing site(s) will be accessible to persons with disabilities. Requests for accommodation must be made not later than five (5) days prior to the hearing, to the agency address below.

**DESCRIPTIVE SUMMARY:** The following is the required finding and concise statement of its supporting reasons for adopting a temporary rule and a nontechnical explanation of the substance and purpose of the proposed rulemaking:

**Rule 317:** New Legislation (HB 470) changes the allocation of the occupancy tax revenue among taxing districts and urban renewal allocation areas. Payments to districts and revenue allocation areas need to be made for 2008 occupancies. Rule 317 adds the instruction to allocate the occupancy tax revenue to the funds listed in HB 470 based on the rate computed by using the full equalized value.

**Rule 509:** New legislation (HB599A, HB550, HB562) provide for property tax exemptions expressed in Sections 63-602KK, 63-602NN and 63-4502. These exemptions need to be known for future fiscal analysis. These exemptions need to be reported on the county abstracts. The abstracts are due by July 28, 2008. Rule 509 amends to include the above exemptions in the list of those exemptions that must be reported to the tax commission.

**TEMPORARY RULE JUSTIFICATION:** Pursuant to Section 67-5226(1), Idaho Code, the Governor has found that temporary adoption of the rule is appropriate for the following reasons:

In compliance with deadlines in amendments to governing law.

**FEE SUMMARY:** Pursuant to Section 67-5226(2), Idaho Code, the Governor has found that the fee or charge being imposed or increased is justified and necessary to avoid immediate danger and the fee is described herein: N/A

**FISCAL IMPACT:** The following is a specific description, if applicable, of any negative fiscal impact on the state general fund greater than ten thousand dollars (\$10,000) during the fiscal year: N/A

**NEGOTIATED RULEMAKING:** Pursuant to Section 67-5220(2), Idaho Code, negotiated rulemaking was not conducted because the proposed changes are of a simple nature.

**ASSISTANCE ON TECHNICAL QUESTIONS, SUBMISSION OF WRITTEN COMMENTS:** For assistance on technical questions concerning the temporary and proposed rule, contact Alan Dornfest at (208) 334-7544.

Anyone may submit written comments regarding the proposed rulemaking. All written comments must be directed to the undersigned and must be delivered on or before October 22, 2008.

DATED this 20th day of August 2008.

Alan Dornfest  
Tax Policy Supervisor  
State Tax Commission  
PO Box 36, Boise, ID 83722-0410  
(208) 334-7544

THE FOLLOWING IS THE TEXT OF DOCKET NO. 35-0103-0802

**317. OCCUPANCY TAX ON NEWLY CONSTRUCTED IMPROVEMENTS ON REAL PROPERTY (RULE 317).**

Section 63-317, Idaho Code. (5-3-03)

**01. Property Subject to Occupancy Tax.** Excluding additions to existing improvements, the occupancy tax shall apply to improvements upon real property, whether under the same or different ownership. The occupancy tax shall also apply to new manufactured housing, as defined in Section 63-317, Idaho Code, excluding additions to existing manufactured housing. (4-6-05)

**02. Value Prorated Monthly.** The value for occupancy tax purposes shall be prorated at least monthly. (3-23-94)

**03. Notice of Appraisal.** When notifying each owner of the appraisal, the county assessor shall include at a minimum the full market value before any exemptions and before any prorating of the value, the length of time subject to the occupancy tax, and the prorated value. (5-3-03)

**04. Examples for Calculation of Value Less Homestead Exemption (HO).** The following examples show the procedure for the calculation of the taxable value subject to the occupancy tax less the homestead exemption (HO): (3-30-07)

**a.** Example for prorated market value exceeding maximum amount of the homestead exemption, as prescribed in statute for tax year 2006. For years after 2006, the maximum amount of the homestead exemption is subject to modification by the Housing Price Index.

Full Market Value of Home: \$300,000
Prorated Market Value for 11 Month Occupancy: $\$300,000 \times 11/12 = \$275,000$
Taxable Value: $\$275,000 - \$75,000 \text{ (HO)} = \$200,000$

(3-30-07)

**b.** Example for prorated market value resulting in less than the maximum amount of the homestead exemption.

Full Market Value of Home: \$120,000
Prorated Market Value for 3 Month Occupancy: $\$120,000 \times 3/12 = \$30,000$
Taxable Value: $\$30,000 - \$15,000 \text{ (HO)} = \$15,000$

(3-30-07)

**05. Market Value.** The market value for occupancy tax purposes shall be entered on an occupancy tax

valuation roll. Occupancy tax valuation shall not be included in the assessed value of any taxing district, but occupancy tax must be declared in the certified budget. (3-30-07)

**06. Allocation to Urban Renewal Agencies.** Occupancy tax revenue shall be ~~allocated~~ distributed to ~~any applicable~~ urban renewal agencies in the same manner as property taxes. The portion of the occupancy tax raised for funds specified in Section 50-2908, Idaho Code, and Rule 804 of these rules must be distributed to the taxing districts levying property taxes for those funds and, therefore, must not be distributed to the urban renewal agency. ~~(3-30-07)~~(1-1-08)T

**07. Property Qualifying for the Homestead Exemption on Occupancy Value.** When property is subject to occupancy tax, only the improvements shall be eligible for the homestead exemption found in Section 63-602G, Idaho Code. (3-30-07)

**(BREAK IN CONTINUITY OF SECTIONS)**

**509. CITY, COUNTY, AND SCHOOL DISTRICT ABSTRACTS OF VALUE AND IDENTIFICATION OF URBAN RENEWAL INCREMENT AND PARTIAL EXEMPTION VALUES (RULE 509).** Sections 63-105A and 63-509, Idaho Code. (3-30-07)

**01. Definitions.** The following definitions apply for the purposes of testing for equalization under Section 63-109, Idaho Code, notification under Sections 63-301 and 63-308, Idaho Code, and reporting under Section 63-509, Idaho Code. (3-30-07)

**a. Increment Value.** Increment value means, as defined in Section 50-2903, Idaho Code, the total value calculated by summing the differences between the current equalized value of each taxable property in the revenue allocation area and that property's current base value on the base assessment roll, provided such difference is positive. (3-30-07)

**b. Primary Category.** Primary category means the categories established and described by Subsections 130.02 through 130.06 of these rules and used by the State Tax Commission to test for equalization under Section 63-109, Idaho Code. (3-30-07)

**c. Secondary Category.** Secondary category means the categories established and described by Rules 510, 511, and 512 of these rules and used by county assessors to list property values on the valuation assessment notice under Sections 63-301 and 63-308, Idaho Code, and report values to the State Tax Commission under Section 63-509, Idaho Code, and this Rule. (3-30-07)

**02. Appropriate County and Boise School District Abstracts to Balance.** The taxable value of property in each secondary category as shown on the abstracts prepared and submitted under Section 63-509, Idaho Code, shall equal the sum of the taxable value of property in each secondary category as shown on the Boise School District abstracts, required under Rule 315 of these rules, for the portion of the Boise School District located within Ada County and Boise County. (4-2-08)

**03. Indicate Increment and Exemption Values.** In addition to the value of exemptions required under Section 63-509, Idaho Code, any increment value and the value of any exemption provided under Sections, 63-602GG, 63-602HH, 63-602II, ~~63-602KK, 63-602NN, 63-4502,~~ 63-606A, and 63-3029B, Idaho Code, shall be indicated and subtracted from the taxable value shown for each secondary category of property on each city, county and school district abstract. ~~(3-30-07)~~(1-1-08)T

**04. Submittal of Corrections to Erroneous Abstracts or Related Documents.** When completing the procedures set forth in Section 63-810, Idaho Code, boards of county commissioners should submit the corrections to the taxable values submitted on the abstracts or related documents under provisions of Section 63-509, Idaho Code, and this rule, no later than when they submit the corrected levies under Section 63-810, Idaho Code. (4-2-08)

**05. Cross Reference.** See Rule 115 of these rules for requirements to submit city abstracts. For the descriptions of the primary categories used to test for equalization, see Subsections 130.02 through 130.06 of these rules. For descriptions of secondary categories used to list and report land values, see Rule 510 of these rules, used to list and report the value of improvements, see Rule 511 of these rules, or used to list and report all property values other than that for land or improvements, see Rule 512 of these rules. For information relating to notification of corrections to erroneous levies, see Sections 63-809 and 63-810, Idaho Code, and Rule 809 of these rules. (4-2-08)

**IDAPA 35 - STATE TAX COMMISSION**

**35.01.03 - PROPERTY TAX ADMINISTRATIVE RULES**

**DOCKET NO. 35-0103-0803**

**NOTICE OF RULEMAKING - ADOPTION OF TEMPORARY RULE**

**EFFECTIVE DATE:** The effective date of the temporary rule is January 1, 2008.

**AUTHORITY:** In compliance with Sections 67-5226, Idaho Code, notice is hereby given this agency has adopted a temporary rule. The action is authorized pursuant to Section 63-105A, Idaho Code.

**DESCRIPTIVE SUMMARY:** The following is the required finding and concise statement of its supporting reasons for adopting a temporary rule:

**Rule 804** is being amended to explain how to calculate the tax rate for certain funds identified in HB 470 and to delete obsolete items. New legislation (HB470) amends I.C. 50-2908 to require that the equalized assessed value be used in computing the tax rate for certain funds located within revenue allocation areas and established after January 1, 2008. Rule 804 needs to be amended to identify these funds and to explain how the tax rate is to be calculated for these funds and how the tax rate is to be calculated for all other funds.

**TEMPORARY RULE JUSTIFICATION:** Pursuant to Section 67-5226(1), Idaho Code, the Governor has found that temporary adoption of the rule is appropriate for the following reason:

In compliance with deadlines in amendments to governing law.

**FEE SUMMARY:** Pursuant to Section 67-5226(2), the Governor has found that the fee or charge being imposed or increased is justified and necessary to avoid immediate danger and the fee is described herein: N/A

**ASSISTANCE ON TECHNICAL QUESTIONS:** For assistance on technical questions concerning the temporary rule, contact Alan Dornfest at (208) 334-7544.

DATED this 20th day of August, 2008.

Alan Dornfest  
Tax Policy Supervisor  
State Tax Commission  
PO Box 36  
Boise, ID 83722-0410  
(208) 334-7544

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**THE FOLLOWING IS THE TEXT OF DOCKET NO. 35-0103-0803**

**804. TAX LEVY -- CERTIFICATION -- URBAN RENEWAL DISTRICTS (RULE 804).**  
Section 50-2908, 63-803, and 63-811, Idaho Code. ~~(4-2-08)~~(1-1-08)T

**01. Definitions.** (4-5-00)

**a.** "Urban renewal district." An urban renewal district, as referred to in Section 63-215, Idaho Code, shall mean an urban renewal area formed pursuant to an urban renewal plan adopted in accordance with Section 50-2008, Idaho Code. Urban renewal districts are not taxing districts. (4-5-00)



**b.** “Revenue allocation area (RAA).” A revenue allocation area (RAA) as referred to in Section 50-2908, Idaho Code, shall be the area defined in Section 50-2903, Idaho Code, in which base and increment values are to be determined. Revenue allocation areas (RAAs) are not taxing districts. (4-5-00)

**c.** “Current base value.” The current base value of each parcel in a taxing district or unit shall be the value of that parcel on the current base assessment roll as defined under Section 50-2903, Idaho Code. Current base value does not include value found on the occupancy roll. (4-5-00)

**d.** “Initial base value.” The initial base value for each parcel is the sum of the taxable value of each category of property in the parcel for the year the RAA is established. (4-5-00)

**e.** “Increment value.” The increment value is the difference between the current equalized value of each parcel of taxable property in the RAA and that parcel’s current base value, provided such difference is a positive value. (4-5-00)

**02. Establishing and Adjusting Base and Increment Values. (4-5-00)**

**a.** Establishing initial base value. If a parcel’s legal description has changed prior to computing initial base year value, the value that best reflects the prior year’s taxable value of the parcel’s current legal description must be determined and will constitute the initial base year value for such parcel. The initial base value includes the taxable value, as of the effective date of the ordinance adopting the urban renewal plan, of all otherwise taxable property, as defined in Section 50-2903, Idaho Code. Initial base value does not include value found on the occupancy roll. (4-5-00)

**b.** Adjustments to base value - general value changes. Adjustments to base values will be calculated on a parcel by parcel basis, each parcel being a unit and the total value of the unit being used in the calculation of any adjustment. Base values are to be adjusted downward when the current taxable value of any parcel in the RAA is less than the most recent base value for such parcel. In the case of parcels containing some categories of property which increase in value and some which decrease, the base value for the parcel will only decrease provided the sum of the changes in category values results in a decrease in total parcel value. Any adjustments shall be made by category and may result in increases or decreases to base values for given categories of property for any parcel. Adjustments to base values for any real, personal, or operating property shall establish new base values from which future adjustments may be made. In the following examples the parcel’s initial base value is one hundred thousand dollars (\$100,000), including Category 21 value of twenty thousand dollars (\$20,000) and Category 42 value of eighty thousand dollars (\$80,000). (4-5-00)

**i.** Case 1: Offsetting decreases and increases in value. One (1) year later the parcel has a one thousand dollar (\$1,000) decrease in value in Category 21 and a one thousand dollar (\$1,000) increase in Category 42 value. There is no change in the base value for the parcel. (4-5-00)

**ii.** Case 2: Partially offsetting decreases and increases in value. One (1) year later the parcel has a three thousand dollars (\$3,000) decrease in value in Category 21 and a one thousand dollars (\$1,000) increase in Category 42 value. The base value decreases two thousand dollars (\$2,000) to ninety-eight thousand dollars (\$98,000). (4-5-00)

**iii.** Case 3: Future increase in value following decreases. One (1) year after the parcel in Case 2 has a base value reduced to ninety-eight thousand dollars (\$98,000), the value of the parcel increases by five thousand dollars (\$5,000) which is the net of category changes. The base value remains at ninety-eight thousand dollars (\$98,000). (4-5-00)

**c.** Adjustments to base value - splits and combinations. Before other adjustments can be made, the most recent base value must be adjusted to reflect changes in each parcel’s legal description. This adjustment shall be calculated as described in the following subsections. (4-5-00)

**i.** When a parcel has been split, the most recent base year value is transferred to the new parcels, making sure that the new total equals the most recent base year value. (4-5-00)

ii. When a parcel has been combined with another parcel, the most recent base year values are added together. (4-5-00)

iii. When a parcel has been split and combined with another parcel in the same year, the value of the split shall be calculated as set forth in Subsection 804.02.c.i. and then the value of the combination will be calculated as set forth in Subsection 804.02.c.ii. (4-5-00)

**d.** Adjustments to base values when exempt parcels become taxable. Base values shall be adjusted as described in the following subsections. (4-5-00)

i. Fully exempt parcels at time of RAA establishment. When a parcel that was exempt at the time the RAA was established becomes taxable, the base value is to be adjusted upwards to reflect the estimated value of the formerly exempt parcel at the time the RAA was established. (4-5-00)

ii. Partially exempt parcels. When a partially exempt parcel within the RAA becomes fully taxable, the base value of the RAA shall be adjusted upwards by the difference between the value that would have been assessed had the parcel been fully taxable in the year the RAA was established and the taxable value of the parcel included in the base value of the RAA. For example, assume a parcel of farmland within an RAA had a taxable value of five hundred dollars (\$500) in the year the RAA base value was established. Assume also that if this parcel had not been actively devoted to agriculture at that time, the taxable value would have been fifteen hundred dollars (\$1500). After five (5) years, this parcel is no longer used for farming, loses its partial exemption, and becomes reclassified as industrial land with a value of ten thousand dollars (\$10,000). The base value within the RAA would be adjusted upwards by one thousand dollars (\$1,000), the difference between fifteen hundred dollars (\$1500) and five hundred (\$500). (4-5-00)

iii. Change of exempt status. When a parcel that is taxable and included in the base value at the time the RAA is established subsequently becomes exempt, the base value is reduced by the original value of the parcel included in the base value. If this parcel subsequently becomes taxable, the base value is to be adjusted upward by the same amount that was originally subtracted. For example, assume a land parcel had a base value of twenty thousand dollars (\$20,000). Three (3) years later, an improvement valued at one hundred thousand dollars (\$100,000) was added. The land at this later date had a value of thirty thousand dollars (\$30,000). Both land and improvements were purchased by an exempt entity. The base would be reduced by twenty thousand dollars (\$20,000). Five (5) years later, the land and improvement becomes taxable. The base value is to be adjusted upwards by twenty thousand dollars (\$20,000). (4-5-00)

**e.** Adjustments to base values when property is removed. Base values are to be adjusted downward for real, personal, and operating property removed from the RAA. Property shall be considered removed only under the conditions described in the following subsections. (4-5-00)

i. For real property, all of the improvement is physically removed from the RAA, provided that there is no replacement of said improvement during the year the original improvement was removed. If said improvement is replaced during the year of removal, the reduction in base value will be calculated by subtracting the value of the new improvement from the current base value of the original improvement, provided that such reduction is not less than zero (0). (4-5-00)

ii. For personal property, all of the personal property associated with one (1) parcel is physically removed from the RAA. (4-5-00)

iii. For operating property, any of the property under a given ownership is removed from the RAA. (4-5-00)

**f.** Adjustments to increment values. Decreases in total parcel value below the initial base value decrease the base value for the parcel. This leads to greater increment value if the parcel increases in value in future years. For example, if a parcel with a initial base value of one hundred thousand dollars (\$100,000) decreases in value to ninety-five thousand dollars (\$95,000), but later increases to ninety-eight thousand dollars (\$98,000), an increment value of three thousand dollars (\$3,000) is generated. If the same parcel increases in value to one hundred two thousand dollars (\$102,000) after the decrease to ninety-five thousand dollars (\$95,000), the increment value would

be seven thousand dollars (\$7,000).

(4-5-00)

**g.** Apportioning operating property values. For operating property, the original base value shall be apportioned to the RAA on the same basis as is used to apportion operating property to taxing districts and units. The operating property base value shall be adjusted as required under Section 50-2903, Idaho Code. (4-5-00)

**03. Levy Computation for Taxing Districts Encompassing RAAs Within Urban Renewal Districts.** Beginning in 2008, levies shall be computed in one (1) of two (2) ways as follows: (1-1-08)T

**a.** For taxing district or taxing unit funds other than those meeting the criteria listed in Subsection 804.05 of this rule, ~~the~~ the property tax levy for any taxing district or unit which includes all or part of an RAA in an urban renewal district shall be computed by dividing the dollar amount certified for the property tax portion of the budget of the ~~taxing district or unit fund~~ by the market value for assessment purposes of all taxable property within the taxing district or unit, including the value of each parcel on the current base assessment roll (base value), but excluding the increment value. For example, if the taxable value of property within a taxing district or unit is one hundred million dollars (\$100,000,000) but fifteen million dollars (\$15,000,000) of that value is increment value, the levy of the taxing district must be computed by dividing the property tax portion of the district's or unit's budget by ~~eighty-five million dollars (\$85,000,000).~~ (4-5-00)(1-1-08)T

**b.** For taxing district or taxing unit funds meeting the criteria listed in Subsection 804.05 of this rule, the property tax levy shall be computed by dividing the dollar amount certified for the property tax portion of the budget of the fund by the market value for assessment purposes of all taxable property within the taxing district or unit, including the increment value. Given the values in the example in Paragraph 804.03.a. of this rule, the levy would be computed by dividing the property tax portion of the fund by one hundred million dollars (\$100,000,000). (1-1-08)T

**04. Modification of an Urban Renewal Plan.** When an authorized municipality passes an ordinance modifying an urban renewal plan containing a revenue allocation financing provision, the current value of property in the RAA shall be determined as if the modification had not occurred. All modifications to urban renewal areas and RAAs must comply with the provisions of Rule 225 of these rules. (4-5-00)

**a.** Modification by consolidation of RAAs. If such modification involves combination or consolidation of two (2) or more RAAs, the base value shall be determined by adding together independently determined current base values for each of the areas to be combined or consolidated. The current taxable value of property in an area not previously included in any RAA shall be added to determine the total current base value for the consolidated RAA. (4-5-00)

**b.** Modification by annexation. (1-1-08)T

**i.** If an RAA is modified by annexation, the current taxable value of property in the area annexed shall be added to the most current base value determined for the RAA prior to the annexation. (4-5-00)(1-1-08)T

**05. Criteria for Determining Whether Levies for Funds are to be Computed Using Base Value or Market Value for Assessment Purposes.** Beginning in 2008, levies to be certified for taxing district or unit funds meeting the following criteria or used for any of the following purposes will be computed as described in Paragraph 804.03.b. of this rule. (1-1-08)T

**a.** Refunds or credits pursuant to Section 63-1305, Idaho Code, and any school district judgment pursuant to Section 33-802(1), Idaho Code, provided the refunds, credits, or judgments were pursuant to actions taken no earlier than January 1, 2008; (1-1-08)T

**b.** Voter approved overrides of the limits provided in Section 63-802, Idaho Code, provided such overrides are for a period not to exceed two (2) years and were passed after December 31, 2007, or earlier as provided in the criteria found in Paragraph 804.05.e.; (1-1-08)T

**c.** Voter approved bonds and plant facilities reserve funds passed after December 31, 2007, or earlier

as provided in the criteria found in Paragraph 804.05.e.: (1-1-08)T

**d.** Voter approved school or charter school district supplemental maintenance and operation levies passed after December 31, 2007, for up to two (2) years; or (1-1-08)T

**e.** Levies described in Paragraphs 804.05.b., c., or d. approved prior to December 31, 2007, and included within the boundaries of a revenue allocation area by a change in the boundaries of either the revenue allocation area or the area subject to the levy by the taxing district or unit fund after December 31, 2007. (1-1-08)T

**056. Cross Reference.** The county auditor shall certify the full market value by taxing district as specified in Rule 995 of these rules. (4-2-08)

## IDAPA 35 - STATE TAX COMMISSION

### 35.01.03 - PROPERTY TAX ADMINISTRATIVE RULES

DOCKET NO. 35-0103-0804

#### NOTICE OF RULEMAKING - PROPOSED RULE

**AUTHORITY:** In compliance with Section 67-5221(1), Idaho Code, notice is hereby given that this agency has initiated proposed rulemaking procedures. The action is authorized pursuant to Section 63-105A, Idaho Code.

**PUBLIC HEARING SCHEDULE:** Public hearing(s) concerning this rulemaking will be scheduled if requested in writing by twenty-five (25) persons, a political subdivision, or an agency, not later than October 15, 2008.

The hearing site(s) will be accessible to persons with disabilities. Requests for accommodation must be made not later than five (5) days prior to the hearing, to the agency address below.

**DESCRIPTIVE SUMMARY:** The following is a nontechnical explanation of the substance and purpose of the proposed rulemaking:

**Rule 006:** Update the dates of guides and standards used as reference. The changes to this rule update references to appropriate and current editions of guides and professional standards used to determine values of certain property and to measure assessment level and uniformity.

**Rule 114:** Amend Rule 114 to increase the layers of value data to report for properties receiving the homeowner's exemption. The homeowner's exemption amount has substantially increased. In order to collect needed value information under Subsection 63-105A(2) for statistical analysis by tax commission administrators and legislators upon request, Rule 114 needs to be expanded.

**Rules 125 and 126:** To shorten the rule by putting the certification programs in separate rules and to clarify the description and functions of the Tax Commissions Program of Education. Delete the Appraiser Certification Program which is then written in Rule 126 and clarify the duties of the education director and the examination committee.

**Rule 128:** New rule establishing the requirements and procedures for the Cadastral Certification Program as required by HB 419 which amends Idaho Code section 63-105A(17).

**Rules 218 & 219:** New rule establishes the requirements and procedures for the Cadastral Certification Program. Rule 218 was divided into two rules: Rule 218 covering the Assessors' plat book maintenance and new Rule 219 explaining the parcel numbering system. Rule 219 will provide additional, needed definitions and will provide that a form of the parent parcel number may be maintained upon a split of the parcel.

**Rule 225:** Provides a definition for countywide taxing district and stipulates that a copy of the resolution creating a countywide taxing district will suffice as documents to be filed with the county assessor, county recorder and State Tax Commission. Also, provides that the boundaries of the area added to a revenue allocation area be assigned a unique tax code area number as required by HB 470A.

**Rule 302:** Provides that the list required to be filed by Idaho Code section 63-302 will serve as the taxpayer's application for exemption and requires the form to be filed in order to be eligible for the exemption. The implementation of HB 599A requires a taxpayers' application for the personal property exemption which will also serve as a basis for the state's payment of the personal property replacement monies to the counties.

**Rule 313:** Newly passed HB599A provides for an exemption of up to \$100,000 for personal property including transient personal property (63-313). This amendment to Rule 313 clarifies the allocation of the exemption between or among counties for transient personal property and allows the taxpayer to choose the tax code area for which the exemption will apply.

**Rule 314:** Deletes the reference to a non-existent example in Rule 217.

**Rule 508:** A new rule to require that the value of property exempt by Section 63-602KK, Idaho Code be reported by taxing district. HB 599A, Idaho Code section 63-602KK exempts up to \$100,000 of personal property from

taxation. In order to compute the tax levies, the exempt amount within each taxing district must be reported.

**Rule 626:** New rule to explain that the personal property exemption will become effective with the first tax year (Jan. 1) after state fiscal year revenues have increase by more than 5% over the previous fiscal year as provided in HB 599A, Idaho Code section 63-602KK.

**Rule 631:** New rule clarifying that the exemption provided for in HB550, Idaho Code section 63-602NN does not include land.

**Rule 802:** Rule 802 is being amended to explain how to value new construction and to explain that the taxable portion of the property would be included on the New Construction Roll as provided in HB 550, Idaho Code section 63-602NN(4) and HB 562, Idaho Code section 63-4502.

**Rule 803:** 1) New legislation (HB599A) in IC § 63-3638(12) provides replacement funds to be paid to counties for personal property exempt by IC 63-602KK. These funds should not be subtracted from the “funds to be levied” on the L-2 form in the process of computing property tax levies. Current Rule 803(06) directs all property tax replacement funds listed in 63-3638 to be subtracted. Rule 803 needs amending to exclude IC §63-602KK funds from being subtracted. 2) New legislation (HB691) in section IC § 31-808(11) stipulates that the money received from the interest being trust fund is to be subtracted in computing the levy for the indigent fund. Rule 803(6) needs amended to include these monies as monies to be subtracted. Rule 806 is being amended to exclude the subtraction of the amount of the exemption determined in 63-602KK and to include the amount of the monies received from the interest being trust pursuant to 31-808(11)

**Rule 804:** Rule 804 is being amended to explain how to calculate the tax rate for certain funds identified in HB 470 and to delete obsolete items. New legislation (HB470) amends I.C. 50-2908 to require that the equalized assessed value be used in computing the tax rate for certain funds located within revenue allocation areas and established after January 1, 2008. Rule 804 needs to be amended to identify these funds and to explain how the tax rate is to be calculated for these funds and how the tax rate is to be calculated for all other funds.

**Rule 806:** To clarify the property tax budget and levy information that county clerks are to include in the notice of election required by Idaho Code section 63-802(C) in order to form a new taxing district.

**Rule 902:** Rule 902 is amended to require that the amount to be paid by the state and the amount of the tax to be paid by the taxpayer be shown on the property tax notice as provided in HB 599A, Idaho Code section 63-602KK.

**Rule 966:** To explain the calculations of deferred taxes for lands that change use and land that change ownership as provided in Idaho Code section 63-1706.

**FEE SUMMARY:** The following is a specific description of the fee or charge imposed or increased: N/A

**FISCAL IMPACT:** The following is a specific description, if applicable, of any negative fiscal impact on the state general fund greater than ten thousand dollars (\$10,000) during the fiscal year resulting from this rulemaking: N/A

**NEGOTIATED RULEMAKING:** Pursuant to Section 67-5220(2), Idaho Code, negotiated rulemaking was not conducted because the proposed changes were of a simple nature.

**ASSISTANCE ON TECHNICAL QUESTIONS, SUBMISSION OF WRITTEN COMMENTS:** For assistance on technical questions concerning the proposed rule, contact Alan Dornfest at (208) 334-7544.

Anyone may submit written comments regarding this proposed rulemaking. All written comments must be directed to the undersigned and must be delivered on or before October 22, 2008.

DATED this 20th day of August 2008.

Alan Dornfest  
Tax Policy Supervisor  
State Tax Commission  
PO Box 36, Boise, ID 83722-0410  
(208) 334-7544

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**THE FOLLOWING IS THE TEXT OF DOCKET NO. 35-0103-0804**

**006. INCORPORATION BY REFERENCE (RULE 006).**

Unless provided otherwise, any reference in these rules to any document identified in Rule 006 of these rules shall constitute the full incorporation into these rules of that document for the purposes of the reference, including any notes and appendices therein. The term “documents” includes codes, standards, or rules adopted by an agency of the state or of the United States or by any nationally recognized organization or association. (5-3-03)

**01. Availability of Reference Material.** Copies of the documents incorporated by reference into these rules are available at the main office of the State Tax Commission as listed in Rule 005 of these rules or can be electronically accessed as noted in Subsection 006.02 of this rule. (~~5-3-03~~)( )

**02. Documents Incorporated by Reference.** The following documents are incorporated by reference into these rules: (5-3-03)

**a.** “Standard on Ratio Studies” published in ~~1999~~ 2007 by the International Association of Assessing Officers. This document can be electronically accessed at <http://www.iaao.org/documents/index.cfm?Category=23> which was last accessed and verified on July 8, 2008. (~~5-3-03~~)( )

**b.** “Recreation Vehicle Guide of the National Automobile Dealers Association” published in 2007 for the September through December period by the National Appraisal Guides Incorporated. (~~4-2-08~~)( )

**c.** “Van/Truck Conversion and Limousine Appraisal Guide of the National Automobile Dealers Association” published in 2007 for the September through December period by the National Appraisal Guides Incorporated. (~~4-2-08~~)( )

**d.** “Official Railway Equipment Register” published for the last three (3) quarters in 2007 and the first quarter in 2008 by R. E. R. Publishing Corporation, Agent as a publication of Commonwealth Business Media, Inc. (~~4-2-08~~)( )

**e.** “Forest Habitat Types of Northern Idaho: A Second Approximation” published by the Government Printing Office for the U. S. Forest Service in 1991, General Technical Report INT-236, written by Cooper, Stephen V., Neiman, Kenneth E., Rev, David W., and Roberts, Kenneth E. (4-6-05)

**f.** “Forest Habitat Types of Central Idaho” published by the Government Printing Office for the Intermountain Forest and Range Experimentation Station of the U. S. Forest Service in 1981, General Technical Report INT-114, written by Kittams, Jay A., Pfister, Robert D., Ryker, Russell A., and Steele, Robert. (5-3-03)

**g.** “Yield of Even-Aged Stands of Ponderosa Pine” published by the Government Printing Office for the U. S. Department of Agriculture in 1938, Technical Bulletin No. 630. (5-3-03)

**h.** “Second-Growth Yield, Stand, and Volume Table for the Western White Pine Type” published by the Government Printing Office for the U. S. Department of Agriculture in 1932, Technical Bulletin No. 323. (5-3-03)

i. “Manual of Instructions for the Survey of the Public Lands of the United States” published by the Government Printing Office for the Bureau of Land Management in 1973, Technical Bulletin No. 6. (5-3-03)

**(BREAK IN CONTINUITY OF SECTIONS)**

**114. POWERS AND DUTIES - PROPERTY TAX - VALUE INFORMATION (RULE 114).**

Sections 63-105A and 63-509, Idaho Code. To provide needed value information under Subsection 63-105A(2), Idaho Code, each assessor will to the extent practicable report the following information to the State Tax Commission in the same manner and at the same time as the abstracts under Section 63-509, Idaho Code. (3-30-07)

**01. Homeowner’s Exemption Information.** Beginning in 2007 and each year thereafter, each county assessor will to the extent practicable report the total market value and exempted value of all property (land and improvements) used for residential purposes and granted the homeowner’s exemption under Section 63-602G, Idaho Code, for the current year’s assessment roll. Additionally, beginning in 2007 and each year thereafter, each county assessor will to the extent practicable report to the State Tax Commission the following stratification for improved properties granted the homeowner’s exemption. (3-30-07)

**a.** Total quantity and total market value of all properties less than or equal to twenty-five thousand dollars (\$25,000). Each county assessor will report the total number of and the total market value for all properties granted the homeowner’s exemption that are individually less than or equal to twenty-five thousand dollars (\$25,000) in market value. (3-30-07)

**b.** Total quantity and total market value of all properties more than twenty-five thousand dollars (\$25,000) but less than or equal to fifty thousand dollars (\$50,000). Each county assessor will report the total number of and the total market value for all properties granted the homeowner’s exemption that are individually more than twenty-five thousand dollars (\$25,000) but less than or equal to fifty thousand dollars (\$50,000) in market value. (3-30-07)

**c.** Total quantity and total market value of all properties more than fifty thousand dollars (\$50,000) but less than or equal to seventy-five thousand dollars (\$75,000). Each county assessor will report the total number of and the total market value for all properties granted the homeowner’s exemption that are individually more than fifty thousand dollars (\$50,000) but less than or equal to seventy-five thousand dollars (\$75,000) in market value. (3-30-07)

**d.** Total quantity and total market value of all properties more than seventy-five thousand dollars (\$75,000) but less than or equal to one hundred thousand dollars (\$100,000). Each county assessor will report the total number of and the total market value for all properties granted the homeowner’s exemption that are individually more than seventy-five thousand dollars (\$75,000) but less than or equal to one hundred thousand dollars (\$100,000) in market value. (3-30-07)

**e.** Total quantity and total market value of all properties more than one hundred thousand dollars (\$100,000) but less than or equal to one hundred twenty-five thousand dollars (\$125,000). Each county assessor will report the total number of and the total market value for all properties granted the homeowner’s exemption that are individually more than one hundred thousand dollars (\$100,000) but less than or equal to one hundred twenty-five thousand dollars (\$125,000) in market value. (3-30-07)

**f.** Total quantity and total market value of all properties more than one hundred twenty-five thousand dollars (\$125,000) but less than or equal to one hundred fifty thousand dollars (\$150,000). Each county assessor will report the total number of and the total market value for all properties granted the homeowner’s exemption that are individually more than one hundred twenty-five thousand dollars (\$125,000) but less than or equal to one hundred fifty thousand dollars (\$150,000) in market value. (3-30-07)

**g.** Total quantity and total market value of all properties more than one hundred fifty thousand dollars (\$150,000) but less than or equal to one hundred seventy-five thousand dollars (\$175,000). Each county assessor will



report the total number of and the total market value for all properties granted the homeowner's exemption that are individually more than one hundred fifty thousand dollars (\$150,000) but less than or equal to one hundred seventy-five thousand dollars (\$175,000) in market value. (3-30-07)

**h.** Total quantity and total market value of all properties more than one hundred seventy-five thousand dollars (\$175,000) but less than or equal to two hundred thousand dollars (\$200,000). Each county assessor will report the total number of and the total market value for all properties granted the homeowner's exemption that are individually more than one hundred seventy-five thousand dollars (\$175,000) but less than or equal to two hundred thousand dollars (\$200,000) in market value. ~~(3-30-07)~~( )

**i.** Total quantity and total market value of all properties more than two hundred thousand dollars (\$200,000) but less than or equal to two hundred twenty-five thousand dollars (\$225,000). Each county assessor will report the total number of and the total market value for all properties granted the homeowner's exemption that are individually more than two hundred thousand dollars (\$200,000) but less than or equal to two hundred twenty-five thousand dollars (\$225,000) in market value. ( )

**j.** Total quantity and total market value of all properties more than two hundred twenty-five thousand dollars (\$225,000) but less than or equal to two hundred fifty thousand dollars (\$250,000). Each county assessor will report the total number of and the total market value for all properties granted the homeowner's exemption that are individually more than two hundred twenty-five thousand dollars (\$225,000) in market value but less than or equal to two hundred fifty thousand dollars (\$250,000) in market value. ( )

**k.** Total quantity and total market value of all properties more than two hundred fifty thousand dollars (\$250,000). Each county assessor will report the total number of and the total market value for all properties granted the homeowner's exemption that are individually more than two hundred fifty thousand dollars (\$250,000) in market value. ( )

**02. Personal Property Data.** Beginning in 2008 and each year thereafter, each county assessor will to the extent practicable separately report to the State Tax Commission the total market value and any exempt value of personal property for each of the following classifications or subclassifications thereof from the North American Industry Classification System (NAICS) and will separately detail this value by applicable secondary categories. (3-30-07)

**a.** Forestry and logging personal property data. Each county assessor will separately report to the State Tax Commission the total market value and any exempt value and detail these values by applicable secondary categories for all forestry and logging personal property within NAICS classifications 113, 115, and 1133 as listed on the personal property declaration by the property owner or an agent for the property owner. (3-30-07)

**b.** Mining personal property data. Each county assessor will separately report to the State Tax Commission the total market value and any exempt value and detail these values by applicable secondary categories for all mining personal property within NAICS classifications 21, 212, and 213 as listed on the personal property declaration by the property owner or an agent for the property owner. (3-30-07)

**c.** Heavy construction personal property data. Each county assessor will separately report to the State Tax Commission the total market value and any exempt value and detail these values by applicable secondary categories for all heavy construction personal property within NAICS classification 234 as listed on the personal property declaration by the property owner or an agent for the property owner. (3-30-07)

**d.** Food manufacturing personal property data. Each county assessor will separately report to the State Tax Commission the total market value and any exempt value and detail these values by applicable secondary categories for all food manufacturing personal property within NAICS classification 311 as listed on the personal property declaration by the property owner or an agent for the property owner. (3-30-07)

**e.** Dairy product manufacturing personal property data. Each county assessor will separately report to the State Tax Commission the total market value and any exempt value and detail these values by applicable secondary categories for all dairy product manufacturing personal property within NAICS classification 3115 as listed on the personal property declaration by the property owner or an agent for the property owner. (3-30-07)

f. Wood product manufacturing personal property data. Each county assessor will separately report to the State Tax Commission the total market value and any exempt value and detail these values by applicable secondary categories for all wood product manufacturing personal property within NAICS classification 321 as listed on the personal property declaration by the property owner or an agent for the property owner. (3-30-07)

g. Chemical manufacturing personal property data. Each county assessor will separately report to the State Tax Commission the total market value and any exempt value and detail these values by applicable secondary categories for all chemical manufacturing personal property within NAICS classification 325 as listed on the personal property declaration by the property owner or an agent for the property owner. (3-30-07)

h. Computer and electronic product manufacturing (high tech) personal property data. Each county assessor will separately report to the State Tax Commission the total market value and any exempt value and detail these values by applicable secondary categories for all computer and electronic product manufacturing (high tech) personal property within NAICS classification 334 as listed on the personal property declaration by the property owner or an agent for the property owner. (3-30-07)

i. Locally assessed telecommunications personal property data. Each county assessor will separately report to the State Tax Commission the total market value and any exempt value and detail these values by applicable secondary categories for all locally assessed telecommunications personal property within NAICS classifications 5133 and 51332 as listed on the personal property declaration by the property owner or an agent for the property owner. (3-30-07)

j. Other personal property data. Each county assessor will separately report to the State Tax Commission the total market value and any exempt value and detail these values by applicable secondary categories for all other personal property within NAICS classification 81 or any other NAICS classification not listed in Paragraphs 114.02.a. through 114.02.i. as listed on the personal property declaration by the property owner or an agent for the property owner. (3-30-07)

03. **Cross Reference.** For the descriptions of secondary categories, see Rules 510, 511, and 512 of these rules. (3-30-07)

**(BREAK IN CONTINUITY OF SECTIONS)**

**125. PROGRAM OF EDUCATION (RULE 125).**

Section 63-105A(17), Idaho Code.

(3-15-02)

01. **Administration.** The ~~program of education program shall be~~ is the responsibility of the State Tax Commission (Commission) ~~through its education director. The program of education shall be administered by the Commission's education director (education director). The assessors' education committee and the Commission's education director shall set the curriculum of classes for the annual education program. This curriculum shall include classes important to providing training to appraise property for assessment purposes.~~ (1-1-98)(\_\_\_\_)

02. **Education and Certification Requirements.** ~~An applicant for certification must have passed Commission Course No. 1, IAAO Course No. 102, or equivalent courses, and must have a minimum of twelve (12) months experience appraising for tax assessment purposes in Idaho or equivalent property tax appraisal experience approved by the examination committee. These requirements must be completed in the five (5) year period immediately preceding application except when the applicant proves equivalent education and experience.~~ **Appraisal School and Other Courses.** An appraisal school shall be held at least once each year. The school shall offer courses for training the Commission's employees, county commissioners, and assessment personnel. The Idaho Association of County Assessors Education Committee and the education director shall approve the curriculum for the annual appraisal school. Other courses may be developed and offered as approved by the education director. (3-15-02)

~~a-~~ *Equivalency for Course No. 1 and No. 102 shall be established by the Commission and approved by*

~~the examination committee.~~

~~(3-15-02)~~

~~b. Beginning January 1, 1998 and on or before each January 1 thereafter, to maintain certification each "certified property tax appraiser," who became certified on or before December 31, 1995, shall have completed thirty two (32) hours of appraisal education during the previous two (2) years as described in Subsection 125.02.d. of this rule. Beginning January 1, 1998, to maintain certification each "certified property tax appraiser," who became certified during the two (2) year period prior to each January, shall have completed sixteen (16) hours of appraisal education during the calendar year following the year of certification. By January 1 of each year thereafter, said "certified property tax appraiser" shall have completed thirty two (32) hours of appraisal education during the previous two (2) years as described in Subsection 125.02.d.~~

~~(3-30-01)~~

~~e. The examination committee shall decide which classes meet the requirements for maintaining certification and the hours of appraisal education awarded for each. For Commission administered classes, the Commission's staff will monitor attendance and hours of appraisal education to be awarded to each "certified property tax appraiser" in attendance. For these classes, the education director shall provide certificates of attendance showing the number of hours of appraisal education to be awarded. For those not administered by the Commission, the "certified property tax appraiser" has the responsibility to report education hours completed. The report shall be on a form provided by the Commission and shall be submitted to the education director. To receive education hours for any classes not administered by the Commission, a copy of a record verifying attendance must be submitted with the report of education hours completed.~~

~~(1-1-98)~~

~~d. The Commission shall maintain records to show the number of hours completed during the current year and the previous two (2) years. By June and November each year, the education director shall send an appraisal certification status report to each county assessor. This report will list each "certified property tax appraiser" who is known to be employed by or under contract with said assessor and show the number of hours of appraisal education completed during the previous and current years.~~

~~(1-1-98)~~

~~e. For Commission developed classes in which a test is given, the education director will notify the appropriate county assessor of the grades achieved on the test.~~

~~(1-1-98)~~

~~f. When any "certified property tax appraiser" fails to meet the continuing education requirements, the examination committee shall place this person on six (6) month probation. When any "certified property tax appraiser" fails to meet the continuing education requirements within the probationary period, this person shall forfeit certification or may, on a one (1) time only basis, submit a written petition to the examination committee for a six (6) month extension of probation. This person must submit this petition at least thirty (30) days prior to the expiration date of the first probationary period.~~

~~(3-15-02)~~

~~g. For recertification, an applicant must apply to the examination committee within five (5) years of the date certification was canceled. An applicant for recertification must satisfactorily complete a written examination approved by the committee. The committee shall decide the time and place of the examination. If more than five (5) years have lapsed since certification was canceled, the committee shall not grant recertification. After the five (5) year period, an applicant must apply for certification under the same conditions as required for initial certification.~~

~~(3-15-02)~~

~~h. The county shall reimburse its employees' expenses for registration, tuition, fees, texts, travel, food, and lodging required to comply with these rules.~~

~~(1-1-98)~~

~~i. Each person, except the county assessor, members of the county board of equalization and State Tax Commissioners, making decisions regarding final values for assessment purposes shall be a "certified property tax appraiser." For each county assessor's employee, that county assessor shall ensure compliance with this provision. For each Commission employee the appropriate Commission supervisor shall ensure compliance with this provision.~~

~~(3-15-02)~~

**03. Application For Certification Record Keeping and Reporting of Attendance, Grades, and Credit Hours.** The education director shall maintain student attendance records, records of education hours earned, status of certification, and grades.

~~(3-15-02)( )~~

a. ~~After any applicant has completed the requirements provided in Subsection 125.02, the county assessor (for the county assessor's employee) or appropriate Commission supervisor (for the Commission employee) shall submit the completed "application for state certification" form to the education director. The Commission shall prescribe the "application for state certification" form and shall distribute a copy of said form to each county assessor. The "application for state certification" form shall list the name and address of the applicant, identify the employer of the applicant, list the courses completed, be signed by the applicant, and be dated with the submission date of the application. On the "application for state certification" form the county assessor or Commission supervisor, as applicable, shall certify the completion of the minimum experience requirement. The education director and course instructors will monitor attendance and hours of education to be awarded to each student attending the Commission administered classes. A certificate of completion showing the number of education hours to be awarded will be issued by the education director for the Commission administered classes. In order to receive credit for classes not administered by the Commission, the student shall provide a certificate of completion showing the number of education hours completed, a course description, and the dates attended.~~ (3-15-02)( )

b. ~~The education director shall ensure that information on the certification process and the "application for state certification" form are available to students attending the Commission Course No. 1 and Commission sponsored IAAO Course No. 102. The education director shall maintain records to show the number of education hours completed during the current year and the previous two (2) years. By June and November of each year, the education director shall send a certification status report to each county assessor or applicable supervisor. This report will list each certified property tax appraiser who is known to be employed by or under contract with said assessor and show the number of hours of education completed during the previous year and current calendar year.~~ (3-15-02)( )

c. ~~If a test is given for Commission developed courses, the education director will notify the appropriate county assessor or applicable supervisor of the grade achieved on the test.~~ ( )

**04. Examination Committee -- Establishment and Procedures.** The examination committee shall be composed of three (3) assessors, one (1) member of the Idaho Association of Assessment Personnel, and the ~~Commission's~~ education director. The ~~Commission~~ education director shall appoint the members of the committee. The committee will operate by majority rule. (3-15-02)( )

a. ~~Terms. The term of the Commission's education director shall be continuous. The other members shall serve four (4) year terms. The education director shall maintain records of dates of appointments.~~ (7-1-93)( )

b. ~~If any member fails to serve the full-appointed term, the Commission education director shall appoint another person member for the remainder of the term. The appointee shall be from the same category group as the one who failed to serve member not completing the term.~~ (3-15-02)( )

c. ~~The committee education director shall elect a chairman each year chair the committee.~~ (7-1-93)( )

d. ~~Any applicant may appeal to a review board any complaints concerning any rulings, matters involving examination structure, grading, or grievances concerning with the committee to a review board. No board member may be an assessor of the applicant's county or a member of the examination committee. The review board shall consist of the following four (4) persons:~~ ( )

i. ~~The president of the Idaho Assessors' Association of County Assessors;~~ ( )

ii. ~~A person appointed by the president of the Idaho Assessors' Association of County Assessors;~~ ( )

iii. ~~A person appointed by the examination committee;~~ ( )

iv. ~~A person appointed by the Commission education director. No board member may be an assessor of the applicant's county or a member of the examination committee.~~ (1-1-98)( )

e. ~~The applicant may request, in writing to the Commission's education director, permission to take~~

~~the examination for Commission Course No. 1. The director shall set the time and place for the examination. The committee shall decide which courses meet the requirements for obtaining and maintaining certification and the hours of appraisal education awarded for each course.~~ (7-1-93)( )

~~05. **Incentives For Certification.** The legislature and Commission recommend that counties offer pay incentives to encourage employees to obtain prompt certification. These pay incentives should include at least three (3) parts: state certification; successful completion of additional professional appraisal courses or seminars; and designation from a recognized professional appraisal organization. **Cross Reference.** See Rule 126 of these rules for the description of the certified property tax appraiser program and Rule 128 of these rules for the cadastral certification program.~~ (1-1-98)( )

**126. PROPERTY TAX APPRAISER CERTIFICATION PROGRAM (RULE 126).**  
Section 63-105A, Idaho Code. ( )

**01. Application for Certification.** The State Tax Commission (Commission) shall prescribe and make available the application for state certification form to each county assessor. ( )

**a.** After the applicant has completed the requirements of Subsection 126.02 of this rule, the applicant's supervisor shall submit the completed application form to the education director. The application shall list the following: ( )

i. The name and address of the applicant. ( )

ii. The applicant's employer, and ( )

iii. The courses completed. ( )

**b.** The application must be signed and dated by the applicant and by the applicant's supervisor certifying the completion of the minimum experience requirement. ( )

**c.** The education director shall make available information regarding the certification process and the application form to students attending the courses referenced in Subsection 126.02 of this rule. ( )

**02. Certification Requirements.** An applicant for certification must have passed Commission Course No. 1 or the International Association of Assessing Officers' (IAAO) Course 101 and IAAO Course No. 102 or IAAO Course 201 or IAAO Course 300 or equivalent courses, and must have a minimum of twelve (12) months experience appraising for tax assessment purposes in Idaho or equivalent property tax appraisal experience approved by the examination committee. These requirements must be completed in the five (5) year period immediately preceding application except when the applicant proves equivalent education and experience. ( )

**a.** Upon request to the education director, an applicant may receive credit for Commission Course No. 1 by passing an examination developed for this purpose. The education director shall set the time and place for the examination. ( )

**b.** Equivalent courses may be approved by the education director and the examination committee. ( )

**c.** With the exceptions of the county assessor, the members of the county board of equalization, and the State Tax Commissioners, all persons making decisions regarding final values for assessment purposes shall be certified property tax appraisers. ( )

**03. Maintaining Property Tax Appraisal Certification.** ( )

**a.** To maintain certification each appraiser must complete thirty-two (32) hours of continuing education within two (2) years of the certification date. Thereafter, by January 1 of each year, each appraiser shall have completed thirty two (32) hours of continuing education during the previous two (2) years. ( )

**b.** When any certified property tax appraiser fails to meet the continuing education requirements, the

examination committee shall place this person on a six (6) month probation. When any certified property tax appraiser fails to meet the continuing education requirements within this probationary period, the person shall forfeit certification or may, on a one (1) time only basis, submit a written petition to the examination committee for a six (6) month extension of probation. This person must submit this petition at least thirty (30) days prior to the expiration date of the first probationary period. ( )

c. For recertification, an applicant must apply to the examination committee within five (5) years of the date certification was canceled. An applicant for recertification must satisfactorily complete a written examination approved by the committee. The committee shall decide the time and place of the examination. If more than five (5) years have lapsed since certification was canceled, the committee shall not grant recertification. After the five (5) year period, an applicant must apply for certification under the same conditions as required for initial certification. ( )

04. Cross Reference. See Section 63-201. (1)(a), Idaho Code for the requirement that only assessors or certified property tax appraisers place value on any assessment roll. See Rule 125 of these rules for the description of the examination committee. ( )

~~1267. —129.~~ (RESERVED).

128. CADASTRAL CERTIFICATION PROGRAM (RULE 128).  
Section 63-105A, Idaho Code. ( )

01. Application for Certification. The State Tax Commission (Commission) shall prescribe and make available the application for state certification form to each county assessor. ( )

a. After any applicant has completed the requirements provided in Subsection 128.02 of this rule, the applicant's supervisor shall submit the completed application form to the education director. The application shall list the following: ( )

- i. The name and address of the applicant. ( )
- ii. The applicant's employer, and ( )
- iii. The courses completed. ( )

b. The application must be signed and dated by the applicant and by the applicant's supervisor certifying the completion of the minimum experience requirement. ( )

c. The education director shall make available information regarding the certification process and the application form to students attending the courses mentioned in Subsection 128.02. ( )

02. Certification Requirements. An applicant for certification must have passed the Commission's Basic Mapping Course and the International Association of Assessing Officers' (IAAO) Course 600 or IAAO Course 601 or both IAAO Courses 650 and 651, or equivalent courses, and must have a minimum of twelve (12) months experience working as a cadastral specialist in Idaho or equivalent cadastral experience approved by the examination committee. These requirements must be completed in the five (5) year period immediately preceding application except when the applicant proves equivalent education and experience. ( )

a. Upon request to the Commission's education director, an applicant may receive credit for the Commission's Basic Mapping Course by passing an examination developed for this purpose. The education director shall set the time and place for the examination. ( )

b. Equivalent courses may be established by the Commission and approved by the examination committee. ( )

03. Maintaining Cadastral Specialist Certification. ( )

**a.** To maintain certification, each cadastral specialist must complete thirty-two (32) hours of continuing education within two (2) years of the certification date. Thereafter, by January 1 of each year, each cadastral specialist shall have completed thirty-two (32) hours of continuing education during the previous two (2) years. ( )

**b.** When any certified cadastral specialist fails to meet the continuing education requirements, the education committee shall place this person on a six (6) month probation. When any certified cadastral specialist fails to meet the continuing education requirements within this probationary period, the person shall forfeit certification or may, on a one (1) time only basis, submit a written petition to the examination committee for a six (6) month extension of probation. This person must submit this petition at least thirty (30) days prior to the expiration date of the first probationary period. ( )

**c.** For recertification, an applicant must apply to the examination committee within five (5) years of the date certification was canceled. An applicant, for recertification, must satisfactorily complete a written examination approved by the committee. The committee shall decide the time and place of the examination. If more than five (5) years have lapsed since certification was canceled, the committee shall not grant recertification. After the five (5) year period, an applicant must apply for certification under the same conditions as required for initial certification. ( )

**04. Cross Reference.** See Rule 125 of these rules for the description of the examination committee. ( )

**129. (RESERVED).**

**(BREAK IN CONTINUITY OF SECTIONS)**

**218. ASSESSOR'S PLAT BOOK (RULE 218).**

Sections 50-1304, 63-209, 63-210, 63-212, 63-219, and 63-307, Idaho Code.

~~(3-15-02)~~( )

**01. Plat Maps.** Plat maps for all privately owned land shall be prepared. (7-1-97)

**a.** Permanent plats ~~shall~~ may be drafted on thirty (30) inch by thirty-six (36) inch, 0.003 inch drafting film (minimum thickness). Smaller plat sizes are permitted as long as they clearly depict parcel boundaries and dimensions. ~~(See Sections 50-1304 and 63-209, Idaho Code.)~~ (7-1-97)( )

**b.** Section, aliquot part, subdivision, and parcel boundaries shall be drafted with ink on drafting film and in accordance with the Bureau of Land Management (BLM) "Manual of Instructions for the Survey of the Public Lands of the United States" published by the Government Printing Office, 1973 edition, Technical Bulletin No. 6. ~~(See Section 50-1304, Idaho Code.)~~ (7-15-02)( )

**c.** Parcel numbers, and all other desired information, shall be drafted with ink. Annotative information shall be added as necessary and, if plotted by computer be of appropriate font style and size to be easily readable. The minimum letter height shall be 1.25 millimeters. ~~(See Section 50-1304, Idaho Code.)~~ (7-1-97)( )

**d.** Section outlines shall be platted according to: (7-1-97)

i. Technical descriptions of Bureau of Land Management, formerly the General Land Office (GLO), surveys, (Section 31-2709, Idaho Code); (7-1-97)

ii. Descriptions on recorded surveys (Sections 55-1901 through 55-1911, Idaho Code); (7-1-97)

iii. Recorded corner perpetuation records (Sections 55-1603 through 55-1612, Idaho Code); (7-1-97)

iv. Recorded subdivision plats and assessor's plats (Sections 50-1301 through 50-1330, 63-209, and

- 63-210(2) Idaho Code); (7-1-97)
- v. Deeds or contracts with metes and bounds descriptions (Section 31-2709, Idaho Code); (7-1-97)
  - vi. Highway, railroad, and other engineering quality route surveys; (7-1-97)
  - vii. Relevant court decisions; and (7-1-97)
  - viii. Unrecorded data from registered land surveyors (Section 31-2709, Idaho Code). (7-1-97)
- e. Subdivision of sections shall be platted. ~~(See in accordance with Sections 31-2709 and 63-209, Idaho Code.)~~ (7-1-97)( )
- 02. Map Scales.** Non-Computer and computer generated maps shall be scaled. (7-1-97)
- a. Non computer generated plats shall be: ( )
    - i. One (1) township at one (1) inch = fourteen thousand four hundred (14,400) inches (1,200 feet), 1:14,400; ( )
    - ii. ~~Four~~ Four (4) sections at one (1) inch = four thousand eight hundred (4,800) inches (400 feet), 1:4,800; one (1) section at one (1) inch = twenty four hundred (2400) inches (200 feet), 1:2,400; ( )
    - iii. ~~One~~ One (1) quarter section at one (1) inch = twelve hundred (1,200) inches (100 feet), 1:1,200. (7-1-97)( )
  - b. Mapping done from aerial photographs will have the scale recalculated and shown on the map. (7-1-97)
  - c. Subdivision, townsite, and metes and bounds parcels shall be platted to include the basis of bearing with monuments and their coordinates relative to the "Idaho Coordinate System." ~~(See as described by Sections 31-2709, Idaho Code, Sections 50-1301, 50-1303, and 50-1304, Idaho Code.)~~ (7-1-97)( )
  - d. Plat titles, subdivision names, and parcel dimensions shall be drafted with ink, or generated by computer at an appropriate scale. The minimum letter height shall be 1.25 millimeters. (7-1-97)
- 03. Property Ownership Records.** Ownership shall be shown on the property ownership records. (7-1-97)
- a. Ownership notations include the reputed owner of the property or note that the owner is unknown, or list other persons with interests of record. Ownership may be ascertained from numerous recorded sources. ~~(See as described in Sections 63-212 and 63-307, Idaho Code.)~~ (3-30-01)( )
  - b. Purchasers, agents, guardians, executors, administrators, heirs, and claimants may have their names inserted with the recorded owner's name. ~~(See as explained in Sections 63-212 and 63-307, Idaho Code.)~~ (7-1-97)( )
- 04. Uniform Parcel Numbering System.** ~~Each parcel shall be assigned a parcel number.~~ (7-1-97)
- a. ~~The uniform parcel numbering system shall be used for mapping and record keeping. Each parcel's uniform parcel number shall appear on the plat map and on a companion sheet. The assigned parcel number may also be the tax number. (See Sections 63-209 and Section 63-210(1), Idaho Code.)~~ (7-1-97)
  - b. ~~As long as the property boundary does not change, the new owner's name shall be assigned to the same parcel number on the companion sheet. A parcel number that exists at the time a property is divided or added to shall be canceled and a new number(s) assigned.~~ (7-1-97)



- ~~e. Properties contiguous under common ownership but split by county line, section line, or tax code area boundary shall require separate parcel numbers. (7-1-97)~~
- ~~d. Rural land not subdivided shall have the township descriptor minus the "T" in positions 1, 2, and 3 of the parcel number. (7-1-97)~~
- ~~i. Positions 4, 5, and 6 shall be the range descriptor minus the "R." (7-1-97)~~
- ~~ii. Positions 7 and 8 shall be the section number. If the section number is less than 10, the section number is in position "8," preceded by a zero in position "7." (7-1-97)~~
- ~~iii. Positions 9, 10, 11, and 12 shall be the quarter section numbers. To assign the quarter section number, begin numbering in the northeast quarter (NE1/4) of the northeast quarter (NE1/4) and proceed counterclockwise. Starting in the NE1/4 of the section the numbers used range from zero to two thousand three hundred ninety nine (0 to 2399). Continuing counterclockwise, beginning in the NE1/4 of the northwest quarter (NW1/4), the numbers continue from two thousand four hundred to four thousand seven hundred ninety nine (2400 to 4799), thence, starting in the NE1/4 of the southwest quarter (SW1/4), assign numbers from four thousand eight hundred to seven thousand one hundred ninety nine (4800 to 7199), and beginning in the NE1/4 of the southeast quarter (SE1/4), assign quarter section numbers from seven thousand two hundred to nine thousand nine hundred ninety nine (7200 to 9999). The following quarter section breakdown key shows the sequence for assigning quarter section numbers for land not subdivided.~~

**The "Standard Section" Graphic Is Being Deleted**

*Note: The northern quarters of sections 1, 2, 3, 4, 5, and 6 may be government lots and the western quarters of Sections 6, 7, 18, 19, 30 and 31 may be government lots. For the purpose of parcel numbering, these government lots shall be treated as if each was the respective quarter-quarter of the section. (3-15-02)*

- ~~iv. The following parcel number example denotes Township 10 North, Range 5 East, Section 4 with the parcel being in the NE (7-1-97)~~
- ~~v. The following table is an example of a companion sheet with parcel numbers for land not subdivided.~~

Township & Range	Sec.	Parcel No.	Grantor	Grantee	Remarks	Deed Type	Date	Instrument Number
23N11E	29	7985	Public, John	Citizen, Fred	See Parcel # 7832	WD	4/10/93	492183
23N11E	29	7990	Citizen, Fred		Split from #7985			
23N11E	29	8000	Citizen, Fred	Voter, Sue	Split from #7985	WD	3/9/99	644809
23N11E	29	8010	Citizen, Fred		Split from #7990			
23N11E	29	8250	Citizen, Fred	Anyone, Jim	Split from #7990	WD	4/9/01	652186

(3-15-02)

- ~~e. Land not subdivided inside the city limits shall have a letter in position 1 of the parcel number. Each city letter designator shall be unique. (7-1-97)~~
- ~~i. Positions 2, 3, 4, 5, and 6 shall be zeros. (7-1-97)~~

~~ii. Positions 7 and 8 shall be the section number. Number these positions as required in Subsection 218.04.d. of this rule. (3-30-01)~~

~~iii. Positions 9, 10, 11, and 12 shall be the quarter section number. Number these positions as required in Subsection 218.04.d. of this rule. (3-30-01)~~

~~iv. When a metes and bounds parcel inside city limits is being numbered, positions 9, 10, 11, and 12 locate the parcel to the nearest quarter section. (7-1-97)~~

~~v. If a government lot is within a section, or an extended government lot is an extension of a section, the quarter section numbering shall be assigned as rural land not subdivided. For a government lot within a quarter section, the assigned number shall be a number within the sequence of numbers for the quarter section. For an extended section, the assigned number shall be within the sequence from the extended quarter section. (7-1-97)~~

~~vi. The following parcel number example denotes a parcel in the NE1/4 of section 29 in the city identified by the letter "A": A 0 0 0 0 0 2 9 2 1 6 3. (7-1-97)~~

~~f. Subdivided land within the county, but not in a city, shall have the number zero, in position 1 of the parcel number. (7-1-97)~~

~~i. Positions 2, 3, 4, and 5 shall be the subdivision number. The subdivision number shall not contain alphabetic characters. Each subdivision, whether the original townsite or new subdivision, shall be assigned a four (4) digit number. (7-1-97)~~

~~ii. Positions 6, 7, and 8 shall be the block number. (7-1-97)~~

~~iii. Positions 9, 10, and 11 shall be the lot number designated on the subdivision plat or an assigned number if characters on the subdivision plat are not acceptable as a parcel number. (7-1-97)~~

~~iv. Position 12 shall be a zero (0) if the lot is as originally platted. If a lot has been split once or combined once, then this becomes the letter, "A." If split a second time, the letter becomes a "B," etceteras. These splits or combinations shall be listed on the companion sheet. (7-1-97)~~

~~v. The following parcel number example denotes a subdivided parcel not in any city, identified by the number "0," subdivision number 62, block number 200, and lot number 29: 0 0 0 6 2 2 0 0 0 2 9 0. (7-1-97)~~

~~g. Subdivided land within the cities shall have the city letter in position 1 of the parcel number. Each city letter designator shall be unique. (7-1-97)~~

~~i. Positions 2, 3, 4, and 5 shall be the subdivision number. The subdivision number shall not contain alphabetic characters. Each subdivision, whether the original townsite or a new subdivision, shall be assigned a four (4) digit number. (7-1-97)~~

~~ii. Positions 6, 7, and 8 shall be the block number. (7-1-97)~~

~~iii. Positions 9, 10, and 11 shall be the lot number designated on the subdivision plat. An assigned subdivision plat number may be used if numbers comply with the parcel numbering system. (7-1-97)~~

~~iv. Position 12 shall be a zero (0) if the lot is as originally platted. If a lot has been split once or combined once, then this becomes the letter "A." If split a second time, the letter becomes a "B," etceteras. These splits or combinations shall be listed on the companion sheet. (7-1-97)~~

~~v. When one whole lot and part of another adjoining lot are under common ownership, one parcel number may be assigned. That parcel number shall be written using the whole lot's number and position 12 shall be a letter. (7-1-97)~~

vi. ~~The following parcel number example denotes a parcel in the city identified by the letter "A," in subdivision with number 0062, block number 200, lot number 029, and has been modified once: A 0 0 6 2 2 0 0 0 2 9 A.~~ (7-1-97)

vii. ~~The following table is an example of a companion sheet with parcel numbers for subdivided land within a city.~~

City No.	Sub. No.	Blk. No.	Lot & Split Number	Grantor	Grantee	Remarks	Deed Type	Date	Instrument Number
A	0054	004	0090	Owner, Sid	Pat Voter		WD	1/11/92	190624
A	0054	004	009A	Voter, Pat		Retaining N1/2 Lot 9			
A	0054	004	009B	Voter, Pat	Public, Joe	S1/2 Lot 9	WD	2/12/99	299486
A	0054	004	009B	Public, Joe	Owns, Tim	S1/2 Lot 9	WD	6/9/01	299999

~~(3-15-02)~~

~~h. Patented mines and patented mining claims shall have the number "9" in positions 1 and 2 of the parcel number.~~ (7-1-97)

~~i. Positions 3 through 8 shall denote the township and range, as in the land not subdivided format.~~ (7-1-97)

~~ii. Positions 9 through 12 shall be a county assigned sequential account number for individual mines.~~ (7-1-97)

~~iii. The following parcel number example denotes a parcel that is a patented mine in township 10 North, Range 36 East, with county assigned number 58: 9 9 1 0 N 3 6 E 0 0 5 8.~~ (7-1-97)

~~i. Condominiums in a city shall have a letter in position 1 of the parcel number. The city designator shall be a unique letter. For condominiums not in any city, position 1 is a zero.~~ (7-1-97)

~~i. Positions 2, 3, 4, and 5 shall be the condominium number and shall be four numbers. To differentiate between condominiums and subdivisions, numbers 0001 through 8999 are to be used for subdivisions, and numbers 9000 through 9999 for condominiums. Fill positions preceding the number with zeros to occupy all four positions.~~ (7-1-97)

~~ii. Positions 6, 7, and 8 shall be the block or building number. Position 6 may be a "C" to differentiate between a typical block or building number and a condominium common area.~~ (7-1-97)

~~iii. Positions 9, 10, and 11 shall be the lot or unit number designated on the condominium plat or an assigned number. An assigned condominium plat number may be used if numbers comply with the parcel numbering system.~~ (7-1-97)

~~iv. Position 12 shall be a zero (0) if the parcel has not been modified since originally platted. If it has been split once or combined once, then this character becomes an "A." If split a second time, the character becomes a "B," etceteras. These splits or combinations shall be listed on the companion sheet.~~ (7-1-97)

~~v. The following parcel number example denotes a parcel that is in the city identified by the letter "A," with condominium number 9062, block or building number 007, lot or unit number 029, and has not been modified since originally platted: A 9 0 6 2 0 0 7 0 2 9 0.~~ (7-1-97)

**219. UNIFORM PARCEL NUMBERING SYSTEM (RULE 219).**

Sections 63-209, 63-210, and 63-219, Idaho Code.

( )

**01. Definitions.** The following definitions apply to this rule.

( )

**a.** Parent parcel. A parcel of land in its original state prior to being segregated. The parcel may be described by a metes and bounds description, lot and block, aliquot part, or government lot.

( )

**b.** Child parcel. A parcel of land which has been segregated from the parent parcel. At the time a parent parcel is segregated into one or more parts, the parcels being segregated from the parent parcel shall be known as child parcels. The child parcel may be described by a metes and bounds description, a portion of a lot and block, a portion of an aliquot part, or a portion of a government lot.

( )

**02. Parcel Number Functions.** The uniform parcel numbering system shall be used for mapping and record keeping. Each parcel shall be assigned a parcel number that shall appear on the plat map and on a companion sheet. This assigned parcel number may also be the tax number.

( )

**03. Parcel Number Cancellation or Retention Upon Property Transfers.** As long as the property boundary does not change, the new owner's name shall be assigned to the same parcel number on the companion sheet. A parcel number that exists at the time a property is divided or added to may be canceled and a new number(s) assigned. If the parent parcel number is not canceled, it shall be assigned to the child parcel complying with the directions in this rule relating to assigning parcel numbers based on geographic location.

( )

**04. Property Split by County Line, Section Line, or Tax Code Area Boundary.** Properties contiguous under common ownership but split by county line, section line, or tax code area boundary shall require separate parcel numbers.

( )

**05. Rural Land not Subdivided.** Assign parcel numbers to rural land that is not subdivided as follows:

( )

**a.** Positions 1, 2, and 3 shall be the township descriptor minus the "T."

( )

**b.** Positions 4, 5, and 6 shall be the range descriptor minus the "R."

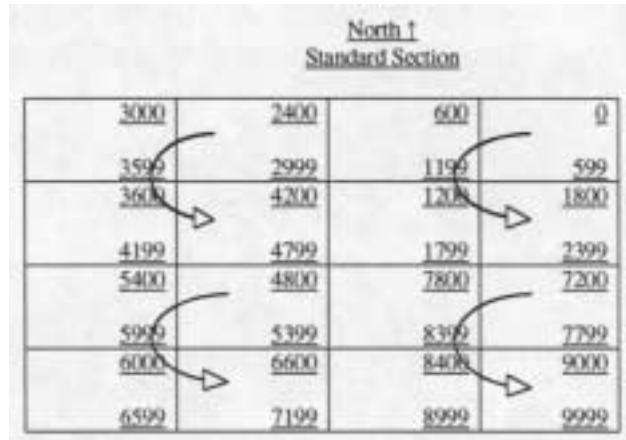
( )

**c.** Positions 7 and 8 shall be the section number. If the section number is less than ten (10), the section number is in position 8, preceded by a zero ("0") in position 7.

( )

**d.** Positions 9, 10, 11, and 12 shall be the quarter section numbers. To assign the quarter section number, begin numbering in the northeast quarter (NE1/4) of the northeast quarter (NE1/4) and proceed counterclockwise. Starting in the NE1/4 of the section the numbers used range from zero to two thousand three hundred ninety nine (0000 to 2399). Continuing counterclockwise, beginning in the NE1/4 of the northwest quarter (NW1/4), the numbers continue from two thousand four hundred to four thousand seven hundred ninety nine (2400 to 4799), thence, starting in the NE1/4 of the southwest quarter (SW1/4), assign numbers from four thousand eight hundred to seven thousand one hundred ninety nine (4800 to 7199), and beginning in the NE1/4 of the southeast quarter (SE1/4), assign quarter section numbers from seven thousand two hundred to nine thousand nine hundred ninety nine (7200 to 9999). The following quarter section breakdown key shows the sequence for assigning quarter section numbers for land not subdivided.

( )



Note: The northern quarters of sections 1, 2, 3, 4, 5, and 6 may be government lots and the western quarters of Sections 6, 7, 18, 19, 30 and 31 may be government lots. For the purpose of parcel numbering, these government lots shall be treated as if each was the respective quarter-quarter of the section. ( )

e. The following parcel number example denotes Township 10 North, Range 5 East, Section 4 with the parcel being in the NE1/4, NE1/4: 10N05E040235. ( )

f. The following table is an example of a companion sheet with parcel numbers for rural land not subdivided.

Township & Range	Sec.	Parcel No.	Grantor	Grantee	Remarks	Deed Type	Date	Instrument Number
23N11E	29	7985	Public, John	Citizen, Fred	See Parcel # 7832	WD	1/10/93	492183
23N11E	29	7990	Citizen, Fred		Split from #7985			
23N11E	29	8000	Citizen, Fred	Voter, Sue	Split from #7985	WD	3/9/99	644809
23N11E	29	8010	Citizen, Fred		Split from #7990			
23N11E	29	8250	Citizen, Fred	Anyone, Jim	Split from #7990	WD	4/9/01	652186

( )

06. **Urban Land not Subdivided.** Assign parcel numbers to urban land that is not subdivided as follows: ( )

a. Position 1 shall be the city letter. Each city shall have a unique letter. ( )

b. Positions 2, 3, 4, 5, and 6 shall each be the number zero ("0"). ( )

c. Positions 7 and 8 shall be the section number. Number these positions as directed in Paragraph 218.04.c. of this rule. ( )

d. Positions 9, 10, 11, and 12 shall be the quarter section number. Number these positions as directed in Paragraph 218.04.d. of this rule. ( )

e. When a metes and bounds parcel inside city limits is being numbered, positions 9, 10, 11, and 12 locate the parcel to the nearest quarter section. ( )

f. If a government lot is within a section, or an extended government lot is an extension of a section, the quarter section numbering shall be assigned as rural land not subdivided. For a government lot within a quarter section, the assigned number shall be a number within the sequence of numbers for the quarter section. For an extended section, the assigned number shall be within the sequence from the extended quarter section. ( )

g. The following parcel number example denotes a parcel in the NE1/4 of section 29 in the city identified by the letter "A": A00000292163. ( )

**07. Subdivided Rural Land.** Assign parcel numbers to subdivided rural land as follows: ( )

a. Position 1 shall be the number zero ("0"). ( )

b. Positions 2, 3, 4, and 5 shall be the subdivision number. The subdivision number shall not contain alphabetic characters. Each subdivision, whether the original townsite or new subdivision, shall be assigned a four (4) digit number. ( )

c. Positions 6, 7, and 8 shall be the block number. ( )

d. Positions 9, 10, and 11 shall be the lot number designated on the subdivision plat or an assigned number if characters on the subdivision plat are not acceptable as a parcel number. ( )

e. Position 12 shall be the number zero ("0") if the lot is as originally platted. If a lot has been split once or combined once, then this becomes the letter "A." If split a second time, the letter becomes a "B," etceteras. These splits or combinations shall be listed on the companion sheet. ( )

f. The following parcel number example denotes a subdivided parcel not in any city, identified by the number zero ("0"), subdivision number 62, block number 200, and lot number 29: 000622000290. ( )

**08. Subdivided Urban Land.** Assign parcel numbers to subdivided urban land as follows: ( )

a. Position 1 shall be the city letter. Each city shall have a unique letter. ( )

b. Positions 2, 3, 4, and 5 shall be the subdivision number. The subdivision number shall not contain alphabetic characters. Each subdivision, whether the original townsite or a new subdivision, shall be assigned a four (4) digit number. ( )

c. Positions 6, 7, and 8 shall be the block number. ( )

d. Positions 9, 10, and 11 shall be the lot number designated on the subdivision plat. An assigned subdivision plat number may be used if numbers comply with the parcel numbering system. ( )

e. Position 12 shall be the number zero ("0") if the lot is as originally platted. If a lot has been split once or combined once, then this becomes the letter "A." If split a second time, the letter becomes a "B," etceteras. These splits or combinations shall be listed on the companion sheet. ( )

f. When one (1) whole lot and part of another adjoining lot are under common ownership, one (1) parcel number may be assigned. That parcel number shall be written using the whole lot's number and position 12 shall be a letter. ( )

g. The following parcel number example denotes a parcel in the city identified by the letter "A," in

subdivision with number 0062, block number 200, lot number 029, and has been modified once: A0062200029A. ( )

**h.** The following table is an example of a companion sheet with parcel numbers for subdivided land within a city.

<u>City No.</u>	<u>Sub. No.</u>	<u>Blk. No.</u>	<u>Lot &amp; Split Number</u>	<u>Grantor</u>	<u>Grantee</u>	<u>Remarks</u>	<u>Deed Type</u>	<u>Date</u>	<u>Instrument Number</u>
A	0054	001	0090	Owner, Sid	Pat Voter		WD	1/11/92	190624
A	0054	001	009A	Voter, Pat		Retaining N1/2 Lot 9			
A	0054	001	009B	Voter, Pat	Public, Joe	S1/2 Lot 9	WD	2/12/99	299486
A	0054	001	009B	Public, Joe	Owms, Tim	S1/2 Lot 9	WD	6/9/01	299999

( )

**09. Patented Mines and Patented Mining Claims.** Assign parcel numbers to patented mines and mining claims as follows: ( )

**a.** The number nine (“9”) shall be in positions 1 and 2. ( )

**b.** Positions 3 through 8 shall denote the township and range, as in the land not subdivided format. ( )

**c.** Positions 9 through 12 shall be a county assigned sequential account number for individual mines. ( )

**d.** The following parcel number example denotes a parcel that is a patented mine in township 10 North, Range 36 East, with county assigned number 58: 9910N36E0058. ( )

**10. Condominiums.** Assign parcel numbers to condominiums as follows: ( )

**a.** Condominiums in a city shall have a letter in position 1 of the parcel number. The letter shall be unique for each city. For condominiums not in any city, position 1 is the number zero (“0”). ( )

**b.** Positions 2, 3, 4, and 5 shall be the condominium number and shall be four numbers. To differentiate between condominiums and subdivisions, numbers 0001 through 8999 are to be used for subdivisions, and numbers 9000 through 9999 for condominiums. Fill positions preceding the number with zeros to occupy all four (4) positions (“0000”). ( )

**c.** Positions 6, 7, and 8 shall be the block or building number. Position 6 may be a “C” to differentiate between a typical block or building number and a condominium common area. ( )

**d.** Positions 9, 10, and 11 shall be the lot or unit number designated on the condominium plat or an assigned number. An assigned condominium plat number may be used if numbers comply with the parcel numbering system. ( )

**e.** Position 12 shall be the number zero (“0”) if the parcel has not been modified since originally platted. If it has been split once or combined once, then this character becomes an “A.” If split a second time, the character becomes a “B,” etceteras. These splits or combinations shall be listed on the companion sheet. ( )

**f.** The following parcel number example denotes a parcel that is in the city identified by the letter “A,” with condominium number 9062, block or building number 007, lot or unit number 029, and has not been

modified since originally platted: A90620070290.

( )

~~219~~20. -- 224. (RESERVED).

**225. DOCUMENTATION FOR NEWLY ORGANIZED OR ALTERED TAXING DISTRICTS OR REVENUE ALLOCATION AREAS (RAAS) UNDER THE JURISDICTION OF URBAN RENEWAL AGENCIES (RULE 225).**

Sections 31-1411, 50-2907, 50-2908, 63-215, 63-807, 63-1202, 63-3029B, and 63-3638, Idaho Code. (3-30-07)

**01. Definitions.** The following definitions apply for cities, taxing districts, or revenue allocation areas (RAAs) under the jurisdiction of urban renewal agencies being organized or formed or altering boundaries. (3-15-02)

**a. Taxing Districts.** The term taxing districts as used in this rule means taxing districts and taxing units. (3-15-02)

**b. Alter.** Alter or any derivatives of the word as used in Section 63-215, Idaho Code, means annex, deannex, or consolidate or derivatives of these words. (3-15-02)

**c. Contiguous.** Contiguous means being in actual contact or touching along a boundary or at a point and is synonymous with abutting on. (3-15-02)

**d. Deannex.** Deannex means to delete or remove a portion but not all of a boundary for a city, taxing district, or RAA by completing all legal requirements to establish a new boundary for the city, taxing district or RAA. (4-6-05)

**e. Disincorporate.** Disincorporate or any derivatives of the word as used in Section 63-3638, Idaho Code, means completing all legal requirements to end the existence of a city. (4-6-05)

**f. Dissolve.** Dissolve or any derivatives of the word as used in Section 63-3638, Idaho Code, means completing all legal requirements to end the existence of a taxing district or RAA. (4-6-05)

**g. Legal Description.** Legal description means a narrative that describes by metes and bounds a definite boundary of an area of land that can be mapped on a tax code area map and shall include: (3-15-02)

i. Section, township, range and meridian. (3-15-02)

ii. An initial point, being a government surveyed corner, such as a section corner, quarter corner or mineral survey corner. (3-15-02)

iii. A true point of beginning, defined by bearings and distances from the initial point, that begins a new city, taxing district, RAA or any alteration thereto. (3-15-02)

iv. Bearings and distances that continuously define the boundary of any area with a closure accuracy of at least one (1) part in five thousand (5,000). Variations from this closure requirement may be approved by the State Tax Commission if the description is sufficiently certain and accurate to ensure that the property is assigned to the proper tax code area. Such variations may include: (3-15-02)

(1) Boundaries which follow mountain ranges, rivers, highways, lakes, canals and other physical features that are clearly delineated on published U.S. Geological Survey quadrangle maps at scale 1:24,000; or (3-15-02)

(2) References to cardinal directions, government survey distances, and section or aliquot part corners; or (3-15-02)

(3) References to recorded subdivision or town site plats, with copies of such plats; or (3-15-02)

(4) Legislatively established boundaries as defined by reference to Idaho Code sections. (3-15-02)



v. The legal description to annex to or deannex from an existing city, taxing district, or RAA shall plainly and clearly define the boundary lines of the deannexed or annexed area and include a reference to existing boundaries where contiguous. (3-15-02)

**h.** Map Prepared in a Draftsman-like Manner. Map prepared in a draftsman-like manner means an original graphic representation or precise copy matching the accompanying legal description and drafted to scale using standard mechanical drawing instruments or a computer. The map shall include: (3-15-02)

i. Section, township, range, and meridian identifications. (3-15-02)

ii. North arrow, bar scale, and title block. (3-15-02)

iii. District name and ordinance number or order date. (3-15-02)

iv. Bearing and distance annotation between boundary points or a legend or table identifying the bearing and distance between each set of boundary points. (3-15-02)

v. Clearly defined boundary lines of the newly formed city, taxing district, or RAA or of the alteration to an existing one together with reference to the existing boundary where contiguous. (3-15-02)

vi. Variations from the requirements of Paragraph 225.01.h., of this rule for what must be included on the map may be approved by the State Tax Commission if the map is sufficiently certain and accurate to ensure that the property is assigned to the proper tax code area. (4-6-05)

i. Countywide taxing district. A countywide taxing district is a taxing district having the same boundaries as one (1) or more counties. ( )

**02. Documentation to Be Filed for Newly Created or Altered Cities, Taxing Districts, or RAAs.**  
The following documentation shall be filed with the county assessor, county recorder, and the State Tax Commission no later than thirty (30) days following the effective date of any action creating or altering a city, taxing district, or RAA boundary, but no later than January 10 of the following year when any action creating or altering said boundary occurs after December 10. (3-15-02)

**a.** A legal description which plainly and clearly defines the boundary of a newly formed city, taxing district, or RAA or the boundary of an alteration to an existing one. (3-15-02)

**b.** A copy of a map prepared in a draftsman-like manner or a record of survey as defined by Chapter 19, Title 55, Idaho Code, which matches the legal description. (4-5-00)

**c.** A copy of the ordinance or order effecting the formation or alteration. (4-5-00)

**d.** For fire districts annexing territory within an existing fire district and/or city, a copy of the written approval from that existing fire district and/or city. (3-30-07)

**e.** In cases where newly created taxing district boundaries are countywide a copy of the ordinance or order effecting the formation which clearly states that the newly formed district is to be countywide shall fulfill the requirements of documents to be filed in Paragraphs 225.02.a., b. and c., of this rule. ( )

**03. Documentation to Be Filed for Disincorporated Cities or Dissolved Taxing Districts, or RAAs.**  
(3-15-02)

**a.** No later than thirty (30) days following the effective date of the final action disincorporating a city or dissolving a taxing district or RAA, but no later than January 10 of the following year when the final action occurs after December 10, for the distributions of revenue as provided for in Sections 50-2908, 63-1202, 63-3029B and 63-3638, Idaho Code, the disincorporating or dissolving entity shall file a copy of the ordinance or order causing the disincorporation or dissolution with the county assessor, county recorder and the State Tax Commission. If the

disincorporating or dissolving entity can provide a map showing the last known boundaries of the entity, this map should accompany the ordinance or order. (4-6-05)

**b.** Upon receipt of the ordinance or order without an accompanying map of the boundaries from a disincorporating city or dissolving taxing district, or RAA, the State Tax Commission shall prepare and send a list of the affected tax code area number(s) and send a copy of a map showing the affected tax code area(s) to the city, taxing district, or urban renewal agency and to the appropriate assessor(s) and recorder(s) within thirty (30) days except for any ordinance or order received after January 1 when the list and map shall be sent by the fourth Friday of January. (3-15-02)

**c.** After fourteen (14) days from the date of the mailing of the list of the affected tax code area(s), the State Tax Commission shall process the disincorporation or dissolution unless it receives a response from the disincorporating city, or dissolving taxing district, appropriate urban renewal agency, appropriate recorder(s) or appropriate assessor(s) that an error exists in the identification of the tax code area(s). (3-15-02)

**04. Digital Map Information.** Digital map information in a format usable by the State Tax Commission may be submitted in addition to or as a substitute for any cloth, film, or paper copy maps. Such information shall be accompanied by metadata that clearly defines map projection, datum and attributes. (3-15-02)

**05. Deadline for Completion.** December 31 of the current year shall be the deadline for completing of any action that creates, alters, or dissolves any taxing district or RAA or creates, alters or disincorporates any city requiring a revision of the State Tax Commission's tax code area maps for the following year, unless the law provides otherwise. (3-15-02)

**06. Approval of Property Tax Levy or Revenue Allocation.** For the purpose of levying property taxes or receiving revenue allocations no newly formed or altered city, taxing district, or RAA shall be considered formed or altered by the State Tax Commission if it: (3-15-02)

**a.** Fails to provide the correct documentation plainly and clearly designating the boundaries of a newly formed city, taxing district, or RAA or of an alteration to an existing one; or (3-15-02)

**b.** Fails to provide the correct documentation in sufficient time for the State Tax Commission to comply with Rule 404 of these rules; or (4-5-00)

**c.** Has boundaries which overlap with like cities, taxing districts or RAAs. (3-15-02)

**07. Notification of Approval or Disapproval.** The State Tax Commission shall send a letter of approval or disapproval to the taxing district or municipality. A copy of said letter shall be submitted to any affected urban renewal agency and the auditor(s) and assessor(s) of the involved county(ies). In the case of disapproval said letter will state the reason(s) for disapproval, the corrective action(s) needed for approval, and the time within which such corrective action(s) must be taken. The State Tax Commission shall send such letter within thirty (30) days of receipt of the document to which the disapproval relates, but not later than the fourth Friday of January except during the first quarter of the calendar year for documents relating to the next tax year. (4-6-05)

**08. One Uniform System.** The State Tax Commission will prepare one (1) uniform system of tax code area numbers and maps which shall be used by each county for property tax purposes. (4-5-00)

**09. Tax Code Areas.** The State Tax Commission shall create a separate, unique number for each tax code area. The boundaries of the area added to an existing RAA shall constitute a separate tax code area. Only the State Tax Commission shall initiate or change a tax code area number. (~~3-15-02~~)(\_\_\_\_)

**10. Furnished By The State Tax Commission.** The State Tax Commission will furnish annually, without charge, one (1) set of updated tax code area maps, a listing of cities, taxing districts or RAAs included in each tax code area, and a list of changes in city, taxing district or RAA boundaries to each appropriate assessor, recorder, treasurer, and entity with operating property assessed by the State Tax Commission. There shall be a charge for all other tax code area maps. (3-15-02)

(BREAK IN CONTINUITY OF SECTIONS)

231. -- ~~3031.~~ (RESERVED).

**302. LIST OF TAXABLE PERSONAL PROPERTY (RULE 302).**

Sections 63-302 and 63-602KK, Idaho Code. ( )

**01. Application for Exemption Required.** The list of personal property required by Section 63-302, Idaho Code, shall serve as the taxpayer's application for the exemption provided by Section 63-602KK, Idaho Code. The following information must be provided by the taxpayer: ( )

**a.** Name of the applicant; and ( )

**b.** An attestation that no other individual or organization has or will apply for the exemption in the county when those other individual(s) or organization(s) would be ineligible under this rule for the 63-602KK exemption. Under Idaho Code section 63-602KK, a taxpayer includes two (2) or more individuals using the property in a common enterprise or a related group of two (2) or more organizations when the individuals or organizations are within a relationship described in Section 267 of the Internal Revenue Code, as defined in Section 63-3004, Idaho Code. ( )

**02. Designation of Personal Property Eligible for Exemption.** The list of personal property required by Section 63-302, Idaho Code, shall include all taxable personal property including the personal property that may be found to be exempt under the provisions of Section 63-602KK, Idaho Code. The exemption provided by Section 63-602KK, Idaho Code, is not determined until the assessor has determined the market value of the property for assessment purposes and has designated listed items as eligible for this exemption. ( )

**03. Failure to File the List.** The taxpayer must file the list of taxable personal property as required by Section 63-302, Idaho Code. If the list is not filed by the taxpayer, the assessor may list and assess the items to be taxed based on his best judgment and information available to him. The items not listed by the taxpayer but listed and assessed by the assessor will be assessed without deduction of the exemption provided for in Section 63-602KK, Idaho Code. ( )

**303. (RESERVED).**

(BREAK IN CONTINUITY OF SECTIONS)

**313. ASSESSMENT OF TRANSIENT PERSONAL PROPERTY (RULE 313).**

Sections 63-213, ~~and~~ 63-313, and 63-602KK, Idaho Code. (~~3-20-04~~)( )

**01. Definitions.** The following definitions apply for the assessment of transient personal property. (5-3-03)

**a.** Home County. Home county is identified in Section 63-313, Idaho Code, as the county selected by the owner of any transient personal property as that county where that transient personal property is usually kept. That county selected by the owner shall be a county in the state of Idaho. (5-3-03)

**b.** Periods of Thirty (30) Days or More. Periods of thirty (30) days or more mean increments of no less than thirty (30) consecutive, uninterrupted days, during which any transient personal property is located in any one (1) county. For any period of less than thirty (30) days, the property owner shall report the transient personal property as being in the home county, resulting in that transient personal property being assessed in the home county for the entire year or the entire portion of the year the property has been in taxable status and not been outside the state of Idaho. (5-3-03)

c. Prorated Assessment. Prorated assessment means the ratio of the number of days, exceeding twenty-nine (29), to three hundred sixty-five (365) days multiplied by the total market value of the transient personal property. For additional clarification, refer to the following examples. (5-3-03)

i. If located in a second Idaho county (not the home county) for twenty-nine (29) consecutive, uninterrupted days and in the home county for the remainder of the year, the transient personal property should be assessed for the total market value in the home county. (5-3-03)

ii. If located in a second Idaho county (not the home county) for fifty-nine (59) consecutive, uninterrupted days and in the home county for the remainder of the year, the transient personal property should be assessed for fifty-nine/three hundred sixty-five (59/365) of the total market value in the second county and for three hundred six/three hundred sixty-five (306/365) of the total market value in the home county. (5-3-03)

iii. If located in a second Idaho county (not the home county) for thirty-one (31) consecutive, uninterrupted days, in a third Idaho county (not the home county) for fifty-nine (59) consecutive, uninterrupted days, and in the home county for the remainder of the year, the transient personal property should be assessed for thirty-one/three hundred sixty-five (31/365) of the total market value in the second county, fifty-nine/three hundred sixty-five (59/365) of the total market value in the third county, and two hundred seventy-five/three hundred sixty-five (275/365) of the total market value in the home county. (5-3-03)

iv. If located in a second Idaho county (not the home county) for twenty-nine (29) consecutive, uninterrupted days and later in that same county for twenty-nine (29) consecutive, uninterrupted days and in the home county for the remainder of the year, the transient personal property should be assessed for the total market value in the home county. (5-3-03)

v. If located in a second Idaho county (not the home county) for fifty-nine (59) consecutive, uninterrupted days, outside the state of Idaho for any thirty-five (35) days and taxed in the other state, and in the home county for the remainder of the year, the transient personal property should be assessed for fifty-nine/three hundred sixty-five (59/365) of the value in the second county and for two hundred seventy-one/three hundred sixty-five (271/365) of the total market value in the home county. (5-3-03)

d. Transient Personal Property. Transient personal property is defined in Section 63-201, Idaho Code. (5-3-03)

**02. Overassessment Prohibited.** Section 63-213, Idaho Code, prohibits the assessment of any property in any one (1) county for the same period of time that property has been assessed in another county. The sum of the assessments of transient personal property in the home county and each other county where the property has been located shall not exceed the market value of the property. (5-3-03)

**03. Nontaxable Transient Personal Property.** (3-20-04)

a. Transient Personal Property in Transit. Under Subsection 63-313(4), Idaho Code, any transient personal property only in transit through the home county or any other county and not remaining in any county for the purpose of use is not subject to property taxation. (3-20-04)

b. Sold Transient Personal Property on Which Taxes Have Been Paid. Under Subsection 63-313(4), Idaho Code, any transient personal property, which was sold by the owner in the home county and upon which the full current year's property taxes were paid, is not subject to property taxation for the current year in any other county regardless of whether that property is to be used in or only in transit through any other county. (3-20-04)

c. Qualified Investment Exemption. For information and directions relating to the qualified investment exemption, see Rule 988 of these rules. (3-20-04)

**04. Exempt Transient Personal Property.** ( )

a. Section 63-602KK, Idaho Code, when applicable provides for exemption of each eligible

taxpayer's personal property to the extent of one hundred thousand dollars (\$100,000) within each county. The limit on the exemption shall apply to the sum of the taxpayer's non-transient personal property and transient personal property. Prior to applying the exemption, transient personal property shall be allocated among the counties based on the prorated value as provided in Subsection 63-313(2), Idaho Code. ( )

**b.** In cases where the taxpayer has transient personal property located in multiple places within the county, the taxpayer may elect the location of the property to which the exemption will apply. Should the taxpayer not make an election as to where to apply the exemption, the county shall have discretion regarding the property to which the exemption shall apply. ( )

**314. COUNTY VALUATION PROGRAM TO BE CARRIED ON BY ASSESSOR (RULE 314).** (3-30-01)  
Sections 63-314 and 63-316, Idaho Code.

**01. Definitions.** (7-1-99)

**a.** Continuing Program of Valuation. "Continuing program of valuation" means the program by which each assessor completes the assessment of all taxable properties each year. (7-1-99)

**b.** Field Inspection. The "field inspection" shall include an observation of the physical attributes of all structures which significantly contribute to the property value, the visible land amenities, and a notation of any other factors which may influence the market value of any improvements. (7-1-99)

**c.** Index. "Index" refers to any annual adjustment or trending factor applied to existing assessed values to reflect current market value. Ratio studies or other market analyses can be used to develop indexes based on property type, location, size, age or other characteristics. (7-1-99)

**d.** Prediction of Market Value. As used in Section 63-314, Idaho Code, "prediction of market value" means an estimate of market value. (7-1-99)

**e.** Category to be Assessed at Current Market Value. The level of assessment of each category will be considered to be current market value unless there is reasonable statistical certainty that the category is not equalized pursuant to Section 63-109, Idaho Code, and Rule 131. (3-30-01)

**02. Plan for Continuing Program of Valuation.** The plan for continuing program of valuation shall include: (7-1-99)

**a.** General Contents. A parcel count by category, the number of parcels to be appraised each year, maps that show each of the market areas, an analysis of staff requirements, a budget analysis that provides adequate funding for labor costs, capital and supply costs, travel and education costs and the method of program evaluation. (3-30-01)

**b.** Market Data Bank. A market data bank including collection, verification and analysis of sales, income and expense data, building cost information, and application of this information to estimate market value. To mail assessment notices by the first Monday in June as required by Section 63-308, Idaho Code, assessors should include income and expense data submitted by property owners by the first Monday in April. Income and expense data for low-income housing properties receiving tax credits under Section 42 of the Internal Revenue Code includes actual rents, the monetary benefit of income tax credits, and expenses. (4-2-08)

**c.** Maps. Maps prepared in accordance with Section 63-209, Idaho Code, which identify characteristics of each geographic area. (7-1-99)

**d.** Property Record. A property record for each parcel, complete with the property characteristics necessary for an estimate of the current market value. (7-1-99)

**03. Date Plan Is Submitted.** The plan must be submitted to the State Tax Commission on or before the first Monday of February in 1997, and every fifth year thereafter. (7-1-99)

**04. Request for Extension.** As provided in Section 63-314, Idaho Code, a county may request an extension to the current five (5) year county valuation plan. (3-30-01)

**a.** Amended Plan. Any request for an extension must include an amended plan incorporating an inventory of the parcels to be appraised during the period of the approved extension. This inventory shall constitute the schedule of required appraisals for the initial year or years of the subsequent five (5) year valuation program. Parcels appraised during the extension will be considered appraised during both the current and subsequent five (5) year plan valuation program periods, maintaining the same five (5) year cycle for all counties. (3-30-01)

**b.** Approval of the Extension and Amended Plan. A county shall be notified of the State Tax Commission's decision regarding the granting of an extension as provided in Section 63-314, Idaho Code, within thirty (30) days of receipt of the written request for the extension when accompanied by an amended plan. (3-30-01)

**c.** Approval of the Amended Plan. The State Tax Commission's approval of any extension shall specify timing and nature of progress reports. (3-30-01)

**d.** Voiding of the Extension. The State Tax Commission can void an extension unilaterally. (3-30-01)

**05. Testing for Current Market Value.** Assessed values shall be tested annually by the State Tax Commission as described in Section 63-109, Idaho Code, and Rule 131 of these rules to determine whether the level of assessment reflects "current market value." (3-30-01)

**06. Cross Reference.** For clarification on tax credits when valuing low-income housing properties receiving tax credits under Section 42 of the Internal Revenue Code, see the case of Brandon Bay, Ltd. Partnership v. Payette County, 142 Idaho 681, 132 P.3d 438 (2006). *For an example of the methodology to use to include the value of the income tax credits when valuing low income housing properties receiving tax credits under Section 42 of the Internal Revenue Code, see Paragraph 217.03.e. of these rules.* (4-2-08)(\_\_\_\_)

**(BREAK IN CONTINUITY OF SECTIONS)**

**418. -- 508.** (RESERVED).

**508. NOTIFICATION OF PERSONAL PROPERTY EXEMPT VALUE BY TAXING DISTRICT OR UNIT (RULE 508).**

Sections 63-510 and 63-602KK, Idaho Code. In addition to the requirements of Section 63-510, Idaho Code, for reporting of net taxable value for each taxing district or unit, the value of property exempt pursuant to Section 63-602KK, Idaho Code, shall be reported to the Tax Commission. The value of such exempt property that is included in the increment value within each tax code area in each revenue allocation area shall also be reported. This report shall be submitted by the August and March dates provided under Section 63-510, Idaho Code. (\_\_\_\_)

**(BREAK IN CONTINUITY OF SECTIONS)**

**626. -- 627. (RESERVED) PROPERTY EXEMPT FROM TAXATION -- CERTAIN PERSONAL PROPERTY (RULE 626).**

Sections 63-105(A), 63-302, 63-308, 63-313, and 63-602KK, Idaho Code. (\_\_\_\_)

**01. Effective Date.** This exemption shall take effect on January 1 of the following tax year after the state controller certifies to the State Tax Commission that receipts to the General Fund for the fiscal year just ended have exceeded the receipts to the General Fund during the previous fiscal year by five percent (5%) or more. For example, if the state controller certifies that the receipts to the General Fund for the fiscal year ending June 30, 2008, have exceeded the previous year by five percent (5%) or more, then this exemption would take effect on January 1, 2009. Once this exemption takes effect, it will remain in effect continuously. (\_\_\_\_)

**02. Application Required.** ( )

**a.** In order to be eligible for this exemption, the taxpayer must file the list of taxable personal property as required by Section 63-302, Idaho Code, and, if applicable, the list required for transient personal property as required by Section 63-313, Idaho Code. If the applicable list is not filed by the taxpayer, the assessor may list and assess the items to be taxed based on his best judgment and information available. The items not listed by the taxpayer but listed and assessed by the assessor will be assessed without deduction of the exemption provided for in Section 63-602KK, Idaho Code. ( )

**b.** Any taxpayer appealing his personal property listed on the property roll to the county board of equalization shall qualify for the exemption provided eligible property is ultimately shown on the list received from the taxpayer. ( )

**03. Taxpayers' Election of Property Location.** In cases where the taxpayer has personal property located in multiple places within the county, the taxpayer may elect the location of the property to which the exemption will apply. Should the taxpayer not make an election as to where to apply the exemption, the county shall have discretion regarding the property to which the exemption shall apply. ( )

**04. Valuation Assessment Notice.** The valuation assessment notice required by Section 63-308, Idaho Code, must show the gross value, the exempt value, and the net taxable value of the personal property. ( )

**05. Preliminary and Final Personal Property Tax Reduction Lists.** ( )

**a.** The preliminary personal property tax reduction list shall include the following information pertaining to the personal property accounts to receive the exemption: ( )

**i.** The name of the owner, listed in alphabetical order unless the State Tax Commission grants permission for accounts to be listed in an alternate order; ( )

**ii.** The description of the property item(s) subject to exemption or partial exemption; ( )

**iii.** The location(s) of the property item(s) showing the tax code area; and ( )

**iv.** The value of the property item(s). ( )

**b.** This preliminary list shall be compiled by the assessor and shall be certified and sent to the county clerk and the Tax Commission by the fourth Monday in July. The list will be reviewed and, if necessary, corrected by the Tax Commission. The list will only include those taxpayers who have filed the list of taxable personal property as required by Section 63-302, Idaho Code. The owners of transient personal property will not be listed on the preliminary list. ( )

**c.** The final personal property tax reduction list shall include, in addition to the items listed in Paragraph 626.05.a. of this rule, the following information pertaining to the personal property accounts to receive the exemption: ( )

**i.** The tax levy applicable to the personal property; ( )

**ii.** The tax before the exemption; ( )

**iii.** The tax after the exemption; ( )

**iv.** The amount of the exemption; ( )

**v.** The aggregate total of the tax exempted; and ( )

**vi.** The aggregate total of the tax exempted within each taxing district and each revenue allocation

area. ( )

**d.** This final personal property tax reduction list shall include transient personal property. This final list shall serve as the certification from the county clerk to the Tax Commission as required by Section 63-602KK (3), Idaho Code. The final certified list shall be filed with the Tax Commission not later than the third Monday of November of each year. ( )

**06. Tax Commission's Review and Correction of the Personal Property Tax Reduction Lists.** If an entry on the preliminary or final property tax reduction list is found to be erroneous, the Tax Commission shall disapprove as much of the claim as necessary and so notify the county clerk. ( )

**07. Cross Reference.** For information on the list of personal property that must be filed, see Rule 302 of these rules. For information on transient personal property see Rule 313 of these rules. ( )

**627. (RESERVED).**

**(BREAK IN CONTINUITY OF SECTIONS)**

**630. --644. (RESERVED).**

**631. TAX EXEMPTION FOR INVESTMENT IN NEW PLANT AND BUILDING FACILITIES UPON COUNTY COMMISSIONERS' APPROVAL (RULE 631).**  
Section 63-602NN, Idaho Code. ( )

**01. The Investment in Plant.** In order to qualify for this exemption a taxpayer must invest at least three million dollars (\$3,000,000) in new plant and building facilities excluding the investment in land. See Section 63-602NN, Idaho Code. ( )

**02. The Exemption.** The board of county commissioners may exempt all or a portion of the market value of the project for a period of up to five (5) years. Land is not to be included in this exemption. See Section 63-602NN(2), Idaho Code. ( )

**03. Cross Reference.** See Rule 802 of these rules for instructions relating to the valuation of new construction. ( )

**632. -- 644. (RESERVED).**

**(BREAK IN CONTINUITY OF SECTIONS)**

**802. BUDGET CERTIFICATION RELATING TO NEW CONSTRUCTION AND ANNEXATION (RULE 802).**  
Sections 63-802, ~~and~~ 63-301A, 63-602W, and 63-602NN, Idaho Code. (~~3-30-07~~)( )

**01. Definitions.** (4-5-00)

**a.** "Change of Land Use Classification." "Change of land use classification" shall mean any change in land use resulting in a category change and in an increase in taxable land value to be reflected on the current property roll. (3-30-07)

**i.** This increase in value due to change of land use classification shall be reported on the new construction roll in the year in which the new category appears on the current property roll unless the increase in



value was previously included on the new construction roll. (3-30-07)

ii. The increase in taxable land value due to change of land use classification shall be computed by subtracting the taxable land value, had the land remained in its previous use category, from the taxable land value in the current use category. (3-30-07)

iii. When the land value, had the land remained in its previous use category, is less than the land value for a previous year in which value for the same property was included in the value reported on the new construction roll, the value calculated in Subparagraph 802.01.a.ii. of this Rule shall be reduced by the value included on any previous new construction roll. (3-30-07)

b. "Incremental Value as of December 31, 2006." "Incremental value as of December 31, 2006" means the total of the increment values on the property roll, subsequent property roll, missed property roll, and operating property roll in 2006. (4-2-08)

c. "Nonresidential Structure." "Nonresidential structure" shall mean any structure listed by the assessor in any secondary category not described as residential, manufactured homes, or improvements to manufactured homes in Rule 511 of these rules. (4-2-08)

**02. New Construction Roll Listing.** "Listing" shall mean a summary report of the net taxable value of property listed on the new construction roll. This listing shall include the taxable value of qualifying new construction throughout each taxing district or unit, but shall not include otherwise qualifying new construction, the value of which will be included in the increment value of any revenue allocation area within any urban renewal district encompassed by the taxing district or unit. This report is to summarize the value reported on the new construction roll by taxing district or unit. Taxing districts and units shall be listed in the same order that is used for the certification of value required pursuant to Section 63-510(1), Idaho Code. When a taxing district proves new construction described by Section 63-301A(3), Idaho Code, has never been included on a new construction roll, the county assessor must list that property on the immediate next new construction roll at the value proven by the taxing district. Any such additional new construction must also be separately listed for each taxing district or unit, and the separate listing must show the year or years of the new construction roll that would have been appropriate for this additional new construction. The taxing district has the burden of proving the new construction was omitted from any new construction roll and the value that would have been listed for that property had it been listed on the appropriate new construction roll. No taxing district shall ever be granted any increase in budget authority greater than the amount that would have resulted had the property been listed on the appropriate new construction roll. Regardless of the year that the new construction should have been listed on the appropriate new construction roll, additional budget authority resulting from new construction previously omitted from a new construction roll and listed on the current year's new construction roll shall be permitted only if the taxing district is in compliance with the budget hearing notification requirements of Section 63-802A, Idaho Code, for the current year. (4-2-08)

**03. Manufactured Housing.** "Installation" of new or used manufactured housing shall mean capturing the net taxable market value of the improvement(s) that did not previously exist within the county. (7-1-97)

**04. Partial New Construction Values.** Except as provided in Subsection 802.05 of this rule, the net taxable market value attributable directly to new construction shall be reported on the new construction roll in the tax year it is placed on the current assessment roll. Except as provided in Subsection 802.05 of this rule, any increase in a nonresidential parcel's taxable value, due to new construction, shall be computed by subtracting the previous year's or years' partial taxable value(s) from the current taxable value. If any of this difference is attributable to inflation, such value, except as provided in Subsection 802.05 of this rule, shall not be included on the new construction roll.

Example: Assume a partially completed, nonresidential improvement was assessed at ten thousand dollars (\$10,000) as of January 1, 2004. The improvement was occupied February 2, 2004. Assume the ten thousand dollars (\$10,000) value was on the 2004 new construction roll. Assume that in 2005 the improvement is assessed at ninety thousand dollars (\$90,000). Assume there has been no inflation. The value that can be reported on the 2005 new construction roll is calculated as follows:

2005 Value	\$90,000
2004 Value Already Reported on New Construction Roll	<\$10,000>
2005 New Construction Roll Value (this improvement)	\$80,000

(4-2-08)

**05. Change in Status.**

(4-2-08)

a. A previously exempt improvement which becomes taxable shall not be included on the new construction roll, unless the loss of the exemption occurs during the year in which the improvement was constructed or unless the improvement has lost the exemption provided in Section 63-602W or Section 63-602NN, Idaho Code. For any such property, the amount that may be included on the new construction roll shall be the value of the portion of the property subject to the exemption at the time the exemption was first granted. (7-1-99)( )

b. Upon receipt by the State Tax Commission of a resolution recommending adoption of an ordinance for termination of a revenue allocation area under Section 50-2903(5), Idaho Code, any positive difference of the most current increment value minus the “incremental value as of December 31, 2006,” shall be added to the appropriate year’s new construction roll. When this information is received after the fourth Monday in July, this positive net increment value shall be added to the following year’s new construction roll. (4-2-08)

**06. Value of Annexation to Exclude New Construction.** When determining the maximum property tax funded budget that may be certified under Section 63-802, Idaho Code, the annexation value shall include all taxable value within the annexed area except the value of new construction, outside revenue allocation areas. Except for new construction within a revenue allocation area, the value of new construction within the annexed area shall be excluded from the value of the annexed area but included on the new construction roll for the taxing district annexing the area where the property is located, thereby preventing double counting of new construction value within the annexed area. (4-2-08)

**07. Notification of New Construction Roll and Annexation Values.** On or before the fourth Monday in July, each county auditor must report the net taxable values on the new construction roll and within annexed areas for each appropriate taxing district or unit to that taxing district or unit. (3-20-04)

**803. BUDGET CERTIFICATION -- DOLLAR CERTIFICATION FORM (L-2 FORM) (RULE 803).** Sections 63-602G(5), 63-802, 63-803, 63-3029B(4), and 63-3638(10), Idaho Code. (4-2-08)

**01. Definitions.**

(4-5-00)

a. “Dollar Certification Form” (L-2 Form). The Dollar Certification Form (L-2 Form) is the form used to submit to the State Tax Commission the budget request from each Board of County Commissioners for each taxing district. This form shall be presumed a true and correct representation of the budget previously prepared and approved by a taxing district. The budget will be presumed adopted in accordance with pertinent statutory provisions unless clear and convincing documentary evidence establishes that a budget results in an unauthorized levy and action as provided in Section 63-809, Idaho Code. (4-6-05)

b. “Prior Year’s Market Value for Assessment Purposes.” Prior year’s market value for assessment purposes shall mean the value used to calculate levies during the immediate prior year. This value shall be used for calculating the permanent budget increase permitted for cities, pursuant to Section 63-802(1)(f), Idaho Code. (4-2-08)

c. “Annual Budget.” For the purpose of calculating dollar amount increases permitted pursuant to Section 63-802(1), Idaho Code, the annual budget shall include any amount approved as a result of an election held pursuant to Sections 63-802(1)(f) or 63-802(1)(g), Idaho Code, provided that said amount is certified on the L-2 Form as part of the budget request. If the amount certified does not include the entire amount approved as a result of the election held pursuant to Sections 63-802(1)(f) or 63-802(1)(g), Idaho Code, then the amount not used shall be added to the foregone increase amount determined for the taxing district. See the following example.

CERTIFIED PROPERTY TAX BUDGET LIBRARY DISTRICT*				
	FY 1999	FY 2000	FY 2001	FY 2002
Annual Budget	\$10,000	\$10,000	\$10,700	\$11,621
3% Increase	\$0	\$300	\$321	\$349
Subtotal	\$10,000	\$10,300	\$11,021	\$11,970
1999 Election Amount	\$0	\$400 of \$1,000	\$600 of \$1,000	\$0
Certified Budget	\$10,000	\$10,700	\$11,621	\$11,970

\*The Library District with zero dollars (\$0) in value for new construction and/or annexation approves an additional budget amount of one thousand dollars (\$1,000) in 1999, but only certifies four hundred dollars (\$400) for the year 2000. Note the example does not account for any foregone amount resulting from the district's decision to not increase its budget by three percent (3%) in 1997, 1998 or 1999. (4-6-05)

**d.** "Property Tax Funded Budget." Property tax funded budget means that portion of any taxing district's budget certified to the Board of County Commissioners, approved by the State Tax Commission, and subject to the limitations of Section 63-802, Idaho Code. (3-20-04)

**e.** "Recovered/Recaptured Property Substitute Funds Tax List." Recovered/recaptured property tax substitute funds list means the report sent by the county auditor to the appropriate taxing district(s)/unit(s) by the first Monday in August and to the State Tax Commission with the L-2 Forms, listing the amount of revenue distributed to each appropriate taxing district/unit as recovery of property tax or other payments during the twelve (12) month period ending June 30 each year under the following sections: ( )

- i.** Section 63-602G(5), Idaho Code; ~~and/or as recapture of property tax under~~ ( )
- ii.** Section 63-3029B(4), Idaho Code; and ( )
- iii.** ~~during the twelve (12) month period ending June 30 each year~~ Section 31-808(11), Idaho Code. (4-6-05)( )

**f.** "Taxing District/Unit." Taxing district/unit means any governmental entity with authority to levy property taxes as defined in Section 63-201, Idaho Code, and those noncountywide governmental entities without authority to levy property taxes but on whose behalf such taxes are levied or allocated by an authorized entity such as the county or city for such entities as county road and bridge funds or urban renewal agencies, respectively. (4-6-05)

**g.** "New Taxing District." For property tax budget and levy purposes, new taxing district means any taxing district for which no property tax revenue has previously been levied. See the Idaho Supreme Court case of Idaho County Property Owners Association, Inc. v. Syringa General Hospital District, 119 Idaho 309, 805 P.2d 1233 (1991). (4-2-08)

**02. Budget Certification.** The required budget certification shall be made to each Board of County Commissioners representing each county in which the district is located by submitting the completed L-2 Form prescribed by the State Tax Commission. (4-6-05)

**03. Budget Certification Requested Documents.** Using the completed L-2 Form, each board of county commissioners shall submit to the State Tax Commission a budget request for each taxing district in the county that certifies a budget request to finance the property tax funded portion of its annual budget. The board of county commissioners shall only submit documentation specifically requested by the State Tax Commission. (4-2-08)

**04. L-2 Form Contents.** Each taxing district or unit completing an L-2 Form shall include the following information on or with this form. (3-20-04)

- a. "Department or Fund." Identify the department or fund for which the taxing district is requesting a budget for the current tax year. (4-5-00)
- b. "Total Approved Budget." List the dollar amount of the total budget for each department or fund identified. The amounts must include all money that a taxing district has a potential to spend at the time the budget is set, regardless of whether funds are to be raised from property tax. (4-5-00)
- c. "Cash Forward Balance." List any money brought forward from a prior year to help fund the approved budget. Cash forward balance (Column 3) is the difference between the total approved budget (Column 2) and the sum of amounts reported as other revenue not shown in Column 5 (Column 4), agricultural equipment property tax replacement (Column 5), and balance to be levied (Column 6). (3-15-02)
- d. "Other Revenue not Shown in Column 5." List the revenue included in the total approved budget to be derived from sources other than property tax or money brought forward from a prior year. For example, sales tax revenue is included. (3-15-02)
- e. "Property Tax Replacement." Report ~~the sum of only~~ the following: (~~4-6-05~~)(\_\_\_\_)
- i. The amount of money received annually under Section 63-3638(10), Idaho Code, as replacement revenue for the agricultural equipment exemption under Section 63-602EE, Idaho Code; (4-2-08)
- ii. The amount of money received as recovery of property tax exemption under Section 63-602G(5), Idaho Code, and listed on the "Recovered/recaptured property tax substitute funds list"; (~~4-6-05~~)(\_\_\_\_)
- iii. The amount of money received as recapture of the property tax benefit under Section 63-3029B(4), Idaho Code, and listed on the "Recovered/recaptured property tax substitute funds list"; and (~~4-6-05~~)(\_\_\_\_)
- iv. The amount of money transferred from the interest-bearing trust to the county indigent fund under Section 31-808(11), Idaho Code. (\_\_\_\_)
- iv. The appropriate amount of money listed on the statement and distributed to the county and each appropriate city under Section 63-2603, Idaho Code, as county property tax relief and detention facility debt retirement. (4-6-05)
- f. "Balance to be Levied." Report the amount of money included in the total approved budget to be derived from property tax. (3-15-02)
- g. Other Information. Provide the following additional information. (4-5-00)
- i. The name of the taxing district or unit; (3-20-04)
- ii. The date of voter approval (if required by statute) and effective period for any new or increased fund which is exempt from the budget limitations in Section 63-802, Idaho Code; (4-5-00)
- iii. The signature, date signed, printed name, address, and phone number of an authorized representative of the taxing district; and (5-3-03)
- iv. For a hospital district which has held a public hearing, a signature certifying such action. (4-5-00)
- h. Attached Information. Other information submitted to the county auditor with the L-2 Form. (4-6-05)
- i. For all taxing districts, L-2 worksheet. (3-20-04)
- ii. For newly formed recreation or auditorium districts, a copy of the petition forming the district showing any levy restrictions imposed by that petition. (3-20-04)

- iii. For any new ballot measures (bonds, overrides, permanent overrides, supplemental maintenance and operations funds, and plant facility funds), notice of election and election results. (3-20-04)
- iv. Voter approved fund tracker. (3-20-04)
- v. For fire districts, a copy of any new agreements with utility companies providing for payment of property taxes by that utility company to that fire district. (3-20-04)
- vi. For any city with city funded library operations and services at the time of consolidation with any library district, each such city must submit a certification to the Board of County Commissioners and the Board of the Library District reporting the dedicated portion of that city's property tax funded library fund budget and separately reporting any portion of its property tax funded general fund budget used to fund library operations or services at the time of the election for consolidation with the library district. (3-20-04)
- vii. For any library district consolidating with any city that had any portion of its property tax funded budget(s) dedicated to library operations or services at the time of the election for consolidation, each such library district must submit to the Board of County Commissioners a copy of the certification from that city reporting the information provided for in Subparagraph 803.04.h.vi., of this rule. (4-6-05)

**05. Special Provisions for Fire Districts Levying Against Operating Property.** To prevent double counting of public utility property values, for any year following the first year in which any fire district increases its budget using the provision of Section 63-802(2), Idaho Code, such fire district shall not be permitted further increases under this provision unless the following conditions are met: (3-30-01)

- a. The fire district and public utility have entered into a new agreement of consent to provide fire protection to the public utility; and (3-30-01)
- b. Said new agreement succeeds the original agreement; and (3-30-01)
- c. In the first year in which levies are certified following the new agreement, the difference between the current year's taxable value of the consenting public utility and public utility value used in previous budget calculations made pursuant to this section is used in place of the current year's taxable value of the consenting public utility. (3-30-01)

**06. Special Provisions for Property Tax Replacement ~~Pursuant to Section 63-3638~~, other than Replacement Money Received for Property Subject to the Exemption Provided in Section 63-602KK, Idaho Code.** With the exception of property tax replacement monies received for property subject to the exemption provided in Section 63-602KK, Idaho Code, property tax replacement monies received pursuant to Section 63-3638, Idaho Code, must be reported on the L-2 Fform and separately identified on accompanying worksheets. For all taxing districts, these monies must be subtracted from the "balance to be levied". The reduced balance shall be used to compute levies, but the maximum amount permitted pursuant to Sections 63-802 ~~and 33-802~~, Idaho Code, shall be based on the sum of these property tax replacement monies, excluding monies received pursuant to Section 31-808(11), Idaho Code, and the amount actually levied. (4-2-08)(\_\_\_\_)

- a. The State Tax Commission shall, by the fourth Monday of July, notify each county clerk if the amount of property tax replacement money, pursuant to Section 63-3638(10), Idaho Code, to be paid to a taxing district changes from the amount paid in the preceding year. By the first Monday of May, the State Tax Commission shall further notify each school district and each county clerk of any changes in the amount of property tax replacement money to be received by that school district pursuant to Section 63-3638(10), Idaho Code, ~~as amended by the First Extraordinary Session of the Fifty eighth Legislature.~~ (4-2-08)(\_\_\_\_)
- b. By no later than the first Monday of August of each year, each county clerk shall notify each appropriate taxing district or unit of the total amount of property tax replacement monies that will be received. (4-2-08)
- c. Except as provided in Paragraph 803.06.d. of this rule, ~~the~~ subtraction required in Subsection

803.06 of this ~~Rule~~ may be from any fund(s) subject to the limitations of Section 63-802, Idaho Code. For school districts this subtraction must be first from funds subject to the limitations of Section 63-802, Idaho Code, then from other property tax funded budgets. (4-2-08)( )

d. For counties receiving monies described in Section 31-808(11), Idaho Code, the amount of money transferred from the interest-bearing trust to the county indigent fund shall be subtracted from the maximum amount of property tax revenue permitted pursuant to Section 63-802, Idaho Code. ( )

~~d.e.~~ Levy limits shall be tested against the amount actually levied. (3-15-02)

**07. Special Provisions for Property Tax Replacement Received for Property Subject to the Exemption Provided in Section 63-602KK, Idaho Code.** The following procedure is to be used to calculate levy rates and maximum amounts of property tax revenue for taxing districts or units that receive property tax replacement money for property subject to the exemption in Section 63-602KK, Idaho Code. ( )

a. Such property tax replacement money is not to be subtracted from the "balance to be levied" amount certified on the L-2 Form. ( )

b. The otherwise taxable value of the property subject to the exemption provided in Section 63-602KK, Idaho Code, is to be included in the value of the taxing district or unit used to calculate the levy rate. ( )

c. The maximum amount permitted pursuant to Section 63-802, Idaho Code, shall be based on the amount actually levied plus other property tax replacement money as defined in Paragraph 803.4.e. of this rule, excluding any amount transferred as provided in Section 31-808(11), Idaho Code. ( )

**078. Special Provisions for Library Districts Consolidating with Any City's Existing Library Operations or Services.** For any library district consolidating with any city's existing library operations or services, the amount of the dedicated property tax funded general fund and library fund budgets certified by the city under Subparagraph 803.04.h.vi., of this rule shall be added to that library district's property tax funded budget in effect at the time of the election for consolidation. This total shall be used as this district's property tax funded budget for the most recent year of the three (3) years preceding the current tax year for the purpose of deciding the property tax funded budget that may be increased as provided by Section 63-802, Idaho Code. (4-6-05)

**089. Special Provisions for Cities with Existing Library Operations or Services Consolidating with Any Library District.** For any city with existing library operations or services at the time of consolidation with any library district, the amount of the dedicated property tax funded library fund budget included in the certification by the city under Subparagraph 803.04.h.vi., of this rule shall be subtracted from that city's total property tax funded budget in effect at the time of the election for the consolidation. This difference shall be used as this city's property tax funded budget for the most recent year of the three (3) years preceding the current tax year for the purpose of deciding the property tax funded budget that may be increased as provided by Section 63-802, Idaho Code. (4-6-05)

**0910. Special Provisions for Calculating Total Levy Rate for Taxing Districts or Units with Multiple Funds.** Whenever the "Calculated Levy Rate" column of the L-2 Form indicates that a levy rate has been calculated for more than one (1) fund for any taxing district or unit, the "Column Total" entry must be the sum of the levy rates calculated for each fund. Prior to this summation, the levy rates to be summed must be rounded or truncated at the ninth decimal place. No additional rounding is permitted for the column total. (4-6-05)

**101. Special Provisions for School Districts' Tort Funds - Hypothetical New Construction Levy.** To calculate the new construction portion of the allowed annual increase in a school district's tort fund under Section 63-802(1), Idaho Code, calculate a Hypothetical New Construction Levy. To calculate this levy, sum the school district's tort fund for the prior year and the agricultural equipment replacement revenue subtracted from that tort fund, then divide this sum by the school district's taxable value used to determine the tort fund's levy for the prior year. For the current year, the allowed tort fund increase for new construction is this Hypothetical New Construction Levy times the current year's new construction roll value for the school district. (4-2-08)

**142. Special Provisions for Interim Abatement Districts.** When an interim abatement district transitions into a formally defined abatement district under Section 39-2812, Idaho Code, the formally defined

abatement district shall not be considered a new taxing district as defined in Paragraph 803.01.g. of this rule for the purposes of Section 63-802, Idaho Code. For the formally defined abatement district, the annual budget subject to the limitations of Section 63-802, Idaho Code, shall be the amount of property tax revenue approved for the interim abatement district. (4-2-08)

**123. Cross Reference for School Districts with Tuition Funds.** For any school district certifying a tuition fund levy in 2006 or any year thereafter, see Section 33-1408, Idaho Code, as amended by the First Extraordinary Session of the Fifty-eighth Legislature, for clarification that the amount of property tax revenue for a tuition fund is not subject to the limitations of Section 63-802, Idaho Code. (4-2-08)

**804. TAX LEVY -- CERTIFICATION -- URBAN RENEWAL DISTRICTS (RULE 804).**  
Section 50-2908, 63-803, and 63-811, Idaho Code. (~~4-2-08~~)( )

**01. Definitions.** (4-5-00)

**a.** "Urban renewal district." An urban renewal district, as referred to in Section 63-215, Idaho Code, shall mean an urban renewal area formed pursuant to an urban renewal plan adopted in accordance with Section 50-2008, Idaho Code. Urban renewal districts are not taxing districts. (4-5-00)

**b.** "Revenue allocation area (RAA)." A revenue allocation area (RAA) as referred to in Section 50-2908, Idaho Code, shall be the area defined in Section 50-2903, Idaho Code, in which base and increment values are to be determined. Revenue allocation areas (RAAs) are not taxing districts. (4-5-00)

**c.** "Current base value." The current base value of each parcel in a taxing district or unit shall be the value of that parcel on the current base assessment roll as defined under Section 50-2903, Idaho Code. Current base value does not include value found on the occupancy roll. (4-5-00)

**d.** "Initial base value." The initial base value for each parcel is the sum of the taxable value of each category of property in the parcel for the year the RAA is established. (4-5-00)

**e.** "Increment value." The increment value is the difference between the current equalized value of each parcel of taxable property in the RAA and that parcel's current base value, provided such difference is a positive value. (4-5-00)

**02. Establishing and Adjusting Base and Increment Values.** (4-5-00)

**a.** Establishing initial base value. If a parcel's legal description has changed prior to computing initial base year value, the value that best reflects the prior year's taxable value of the parcel's current legal description must be determined and will constitute the initial base year value for such parcel. The initial base value includes the taxable value, as of the effective date of the ordinance adopting the urban renewal plan, of all otherwise taxable property, as defined in Section 50-2903, Idaho Code. Initial base value does not include value found on the occupancy roll. (4-5-00)

**b.** Adjustments to base value - general value changes. Adjustments to base values will be calculated on a parcel by parcel basis, each parcel being a unit and the total value of the unit being used in the calculation of any adjustment. Base values are to be adjusted downward when the current taxable value of any parcel in the RAA is less than the most recent base value for such parcel. In the case of parcels containing some categories of property which increase in value and some which decrease, the base value for the parcel will only decrease provided the sum of the changes in category values results in a decrease in total parcel value. Any adjustments shall be made by category and may result in increases or decreases to base values for given categories of property for any parcel. Adjustments to base values for any real, personal, or operating property shall establish new base values from which future adjustments may be made. In the following examples the parcel's initial base value is one hundred thousand dollars (\$100,000), including Category 21 value of twenty thousand dollars (\$20,000) and Category 42 value of eighty thousand dollars (\$80,000). (4-5-00)

**i.** Case 1: Offsetting decreases and increases in value. One (1) year later the parcel has a one thousand dollar (\$1,000) decrease in value in Category 21 and a one thousand dollar (\$1,000) increase in Category 42 value.

There is no change in the base value for the parcel. (4-5-00)

ii. Case 2: Partially offsetting decreases and increases in value. One (1) year later the parcel has a three thousand dollars (\$3,000) decrease in value in Category 21 and a one thousand dollars (\$1,000) increase in Category 42 value. The base value decreases two thousand dollars (\$2,000) to ninety-eight thousand dollars (\$98,000). (4-5-00)

iii. Case 3: Future increase in value following decreases. One (1) year after the parcel in Case 2 has a base value reduced to ninety-eight thousand dollars (\$98,000), the value of the parcel increases by five thousand dollars (\$5,000) which is the net of category changes. The base value remains at ninety-eight thousand dollars (\$98,000). (4-5-00)

c. Adjustments to base value - splits and combinations. Before other adjustments can be made, the most recent base value must be adjusted to reflect changes in each parcel's legal description. This adjustment shall be calculated as described in the following subsections. (4-5-00)

i. When a parcel has been split, the most recent base year value is transferred to the new parcels, making sure that the new total equals the most recent base year value. (4-5-00)

ii. When a parcel has been combined with another parcel, the most recent base year values are added together. (4-5-00)

iii. When a parcel has been split and combined with another parcel in the same year, the value of the split shall be calculated as set forth in Subsection 804.02.c.i. and then the value of the combination will be calculated as set forth in Subsection 804.02.c.ii. (4-5-00)

d. Adjustments to base values when exempt parcels become taxable. Base values shall be adjusted as described in the following subsections. (4-5-00)

i. Fully exempt parcels at time of RAA establishment. When a parcel that was exempt at the time the RAA was established becomes taxable, the base value is to be adjusted upwards to reflect the estimated value of the formerly exempt parcel at the time the RAA was established. (4-5-00)

ii. Partially exempt parcels. When a partially exempt parcel within the RAA becomes fully taxable, the base value of the RAA shall be adjusted upwards by the difference between the value that would have been assessed had the parcel been fully taxable in the year the RAA was established and the taxable value of the parcel included in the base value of the RAA. For example, assume a parcel of farmland within an RAA had a taxable value of five hundred dollars (\$500) in the year the RAA base value was established. Assume also that if this parcel had not been actively devoted to agriculture at that time, the taxable value would have been fifteen hundred dollars (\$1500). After five (5) years, this parcel is no longer used for farming, loses its partial exemption, and becomes reclassified as industrial land with a value of ten thousand dollars (\$10,000). The base value within the RAA would be adjusted upwards by one thousand dollars (\$1,000), the difference between fifteen hundred dollars (\$1500) and five hundred (\$500). (4-5-00)

iii. Change of exempt status. When a parcel that is taxable and included in the base value at the time the RAA is established subsequently becomes exempt, the base value is reduced by the original value of the parcel included in the base value. If this parcel subsequently becomes taxable, the base value is to be adjusted upward by the same amount that was originally subtracted. For example, assume a land parcel had a base value of twenty thousand dollars (\$20,000). Three (3) years later, an improvement valued at one hundred thousand dollars (\$100,000) was added. The land at this later date had a value of thirty thousand dollars (\$30,000). Both land and improvements were purchased by an exempt entity. The base would be reduced by twenty thousand dollars (\$20,000). Five (5) years later, the land and improvement becomes taxable. The base value is to be adjusted upwards by twenty thousand dollars (\$20,000). (4-5-00)

e. Adjustments to base values when property is removed. Base values are to be adjusted downward for real, personal, and operating property removed from the RAA. Property shall be considered removed only under the conditions described in the following subsections. (4-5-00)



i. For real property, all of the improvement is physically removed from the RAA, provided that there is no replacement of said improvement during the year the original improvement was removed. If said improvement is replaced during the year of removal, the reduction in base value will be calculated by subtracting the value of the new improvement from the current base value of the original improvement, provided that such reduction is not less than zero (0). (4-5-00)

ii. For personal property, all of the personal property associated with one (1) parcel is physically removed from the RAA. (4-5-00)

iii. For operating property, any of the property under a given ownership is removed from the RAA. (4-5-00)

f. Adjustments to increment values. Decreases in total parcel value below the initial base value decrease the base value for the parcel. This leads to greater increment value if the parcel increases in value in future years. For example, if a parcel with a initial base value of one hundred thousand dollars (\$100,000) decreases in value to ninety-five thousand dollars (\$95,000), but later increases to ninety-eight thousand dollars (\$98,000), an increment value of three thousand dollars (\$3,000) is generated. If the same parcel increases in value to one hundred two thousand dollars (\$102,000) after the decrease to ninety-five thousand dollars (\$95,000), the increment value would be seven thousand dollars (\$7,000). (4-5-00)

g. Apportioning operating property values. For operating property, the original base value shall be apportioned to the RAA on the same basis as is used to apportion operating property to taxing districts and units. The operating property base value shall be adjusted as required under Section 50-2903, Idaho Code. (4-5-00)

**03. Levy Computation for Taxing Districts Encompassing RAAs Within Urban Renewal Districts.** Beginning in 2008, levies shall be computed in one (1) of two (2) ways as follows: ( )

a. For taxing district or taxing unit funds other than those meeting the criteria listed in Subsection 804.05 of this rule, ~~the property tax levy for any taxing district or unit which includes all or part of an RAA in an urban renewal district~~ shall be computed by dividing the dollar amount certified for the property tax portion of the budget of the ~~taxing district or unit~~ fund by the market value for assessment purposes of all taxable property within the taxing district or unit, including the value of each parcel on the current base assessment roll (base value), but excluding the increment value. For example, if the taxable value of property within a taxing district or unit is one hundred million dollars (\$100,000,000) but fifteen million dollars (\$15,000,000) of that value is increment value, the levy of the taxing district must be computed by dividing the property tax portion of the district's or unit's budget by eighty-five million dollars (\$85,000,000). (4-5-00)( )

b. For taxing district or taxing unit funds meeting the criteria listed in Subsection 804.05 of this rule, the property tax levy shall be computed by dividing the dollar amount certified for the property tax portion of the budget of the fund by the market value for assessment purposes of all taxable property within the taxing district or unit, including the increment value. Given the values in the example in Paragraph 804.03.a. of this rule, the levy would be computed by dividing the property tax portion of the fund by one hundred million dollars (\$100,000,000). ( )

**04. Modification of an Urban Renewal Plan.** When an authorized municipality passes an ordinance modifying an urban renewal plan containing a revenue allocation financing provision, the current value of property in the RAA shall be determined as if the modification had not occurred. All modifications to urban renewal areas and RAAs must comply with the provisions of Rule 225 of these rules. (4-5-00)

a. Modification by consolidation of RAAs. If such modification involves combination or consolidation of two (2) or more RAAs, the base value shall be determined by adding together independently determined current base values for each of the areas to be combined or consolidated. The current taxable value of property in an area not previously included in any RAA shall be added to determine the total current base value for the consolidated RAA. (4-5-00)

b. Modification by annexation. ( )

i. If an RAA is modified by annexation, the current taxable value of property in the area annexed shall be added to the most current base value determined for the RAA prior to the annexation. (4-5-00)( )

ii. For levies described in Paragraphs 804.05.b., c., or d. of this rule approved prior to December 31, 2007, and included within the boundaries of a revenue allocation area by a change in the boundaries of either the revenue allocation area or the area subject to the levy by the taxing district or unit fund after December 31, 2007, the property tax levy shall be computed by dividing the dollar amount certified for the property tax portion of the budget of the fund by the market value for assessment purposes of all taxable property within the taxing district or unit, including the increment value. The example below shows the value to be used for setting levies for various funds within an urban renewal district "A" that annexes area "B" within a school district. Area (B) was annexed after December 31, 2007. Therefore, the Area (B) increment was added back to the base for all funds shown except the tort fund. The Area (A) increment value was added back to the base for the bond and override funds which were certified or passed after December 31, 2007.

2009 Value Table	School District (base only)	\$500 Million
	RAA (A) increment	\$ 40 Million
	RAA annex (B) increment	\$ 10 Million

School District Area \$500 M base	2009 School Levies	
	Fund	Value for Setting Levies \$ Millions
2008 RAA Annexation (B) \$10 M Increment	Tort	500
	2001 Plant	510
Pre 2008 RAA (A) Boundaries \$40 M Increment	2008 Bond (Passed and first levied in 2008)	550
	2009 Override	550

**05. Criteria for Determining Whether Levies for Funds are to be Computed Using Base Value or Market Value for Assessment Purposes.** Beginning in 2008, levies to be certified for taxing district or unit funds meeting the following criteria or used for any of the following purposes will be computed as described in Paragraph 804.03.b. of this rule. ( )

a. Refunds or credits pursuant to Section 63-1305, Idaho Code, and any school district judgment pursuant to Section 33-802(1), Idaho Code, provided the refunds, credits, or judgments were pursuant to actions taken no earlier than January 1, 2008; ( )

b. Voter approved overrides of the limits provided in Section 63-802, Idaho Code, provided such overrides are for a period not to exceed two (2) years and were passed after December 31, 2007, or earlier as provided in the criteria found in Paragraph 804.05.e.; ( )

c. Voter approved bonds and plant facilities reserve funds passed after December 31, 2007, or earlier as provided in the criteria found in Paragraph 804.05.e.; ( )

d. Voter approved school or charter school district supplemental maintenance and operation levies passed after December 31, 2007, for up to two (2) years; or ( )

e. Levies described in Paragraphs 804.05.b., c., or d. approved prior to December 31, 2007, and included within the boundaries of a revenue allocation area by a change in the boundaries of either the revenue allocation area or the area subject to the levy by the taxing district or unit fund after December 31, 2007. ( )

**056. Cross Reference.** The county auditor shall certify the full market value by taxing district as specified in Rule 995 of these rules. (4-2-08)

**(BREAK IN CONTINUITY OF SECTIONS)**

**806. ~~(RESERVED)~~ ELECTION TO CREATE A NEW TAXING DISTRICT -- CLERK'S MAILED NOTICE (RULE 806).**

Section 63-802C, Idaho Code. The sponsors of a new taxing district, including interim abatement districts, shall submit an estimate of the first year's property tax budget to the county clerk sixty (60) days prior to the election. When the estimate of the first year's budget is received, the county clerk shall estimate the levy rate based on the most recent actual or estimated taxable value information available. If the sponsors fail to provide the budget information, the county clerk shall, for taxing districts with funds subject to maximum levy rates, estimate the amount of property taxes to be raised in the proposed district by multiplying the maximum levy rate permitted by law times the most current available estimate of taxable value. Pertaining to the estimate of the first year's levy only, the estimated levy rate, computed based on the information supplied by the sponsors, or the maximum levy rate permitted by law if the information has not been supplied, shall be used to compute the estimated taxes per one hundred thousand dollars (\$100,000) of net taxable value. The maximum levy rate means the sum of every maximum statutory levy rate for any fund subject to such rates for the taxing district type. ( )

**(BREAK IN CONTINUITY OF SECTIONS)**

**902. PROPERTY TAX NOTICE AND RECEIPTS - DUTY OF TAX COLLECTOR (RULE 902).**  
Sections 63-602KK, 63-704, and 63-902, Idaho Code. ( )

**01. Tax Notices with Zero Tax Owed.** The tax notice required to be mailed to taxpayers under Section 63-902, Idaho Code, must include taxpayers whose property taxes are to be paid in full as a result of the property tax reduction approved under Section 63-704, Idaho Code or as a result of the property tax exemption provided in Section 63-602KK, Idaho Code. For these taxpayers, the tax notice shall show the amount to be paid on behalf of the taxpayer and zero taxes owed. ~~(3-30-07)~~( )

**02. Tax Notices Applicable to Taxpayers Eligible for the Exemption Provided by Section 63-602KK, Idaho Code.** The tax notice for taxpayers who receive a reduction in the amount of property tax due must show the gross value of the personal property, the gross tax amount, the amount exempted, the tax amount to be paid by the state, and the net tax due from the taxpayer even if zero (0) tax is owed. ( )

**(BREAK IN CONTINUITY OF SECTIONS)**

**966. RECAPTURE OF DEFERRED TAXES ON LANDS DESIGNATED UNDER SECTION 63-1706, IDAHO CODE (RULE 966).**  
Section 63-1703, Idaho Code. (4-2-08)

**01. Ownership Interest/Deferred Taxes.** Where forestland is held in joint ownership, a transfer of ownership for purposes of recapturing deferred taxes shall occur when any one (1) of the legal entities holding an ownership interest in the subject property shall convey, transfer, or otherwise dispose of their ownership interest or

portion thereof. Any such transfer of ownership shall subject the entire parcel to recapture of deferred taxes, unless the new owner timely redesignates their ownership interest under Section 63-1706, Idaho Code. (7-1-97)

**02. Deferred Tax Responsibility.** Deferred taxes shall be the responsibility of the selling landowner. Deferred taxes shall constitute a lien on the land. (3-30-01)

**03. Change in Use/Deferred Taxes.** ~~For forestlands designated under Section 63-1706, Idaho Code, and subsequently removed from the designation by change in use with no ownership transfer to any use other than designation under Section 63-1705, Idaho Code, shall cause a~~ but subject to recapture of deferred taxes as provided in Section 63-1703, Idaho Code, because of a change in use with no change in ownership, recapture of deferred taxes shall be calculated in the following manner: (4-2-08)(\_\_\_\_)

**a.** The difference between the current bare land value for the correct class of land in the forest value zone in which the parcel lies and the current market value for assessment purposes of the property during the current year; (3-30-01)

**b.** Multiplied by the current levy for the tax code area or areas in which the parcel lies; (3-30-01)

**c.** Multiplied by the number of years, including the entire current year, the lands have been subject to designation under Section 63-1706, Idaho Code, not to exceed ten (10) years. Additionally, a credit shall be allowed for any yield tax paid up to the amount of the deferred taxes. (3-30-01)

**04. Transfer of Ownership/Deferred Taxes.** ~~For forestland designated under Section 63-1706, Idaho Code, upon transfer of ownership or removal to designation under Section 63-1705, Idaho Code, shall be subject to a~~ but subject to recapture of deferred taxes as provided in Section 63-1703, Idaho Code, because of a change in ownership or a removal of the designation, recapture of deferred taxes calculated in the following manner: (3-30-01)(\_\_\_\_)

**a.** The difference between the current bare land value for the correct class of land in the forest value zone in which the parcel lies and the current productivity value for the correct class of land in the forest value zone in which the parcel lies, for the current year; (3-30-01)

**b.** Multiplied by the current levy for the tax code area or areas in which the parcel lies; (3-30-01)

**c.** Multiplied by the number of years, including the entire current year, which the lands have been subject to designation under Section 63-1706, Idaho Code, not to exceed ten (10) years. Additionally, a credit shall be allowed for any yield tax paid up to the amount of the deferred taxes. (3-30-01)

**05. Investment Lands.** Investment lands are defined as those in secondary categories 1, 2, 3, 4, 5, and 9, as defined in Rule 510 of these rules. (4-2-08)