

MINUTES  
**SENATE LOCAL GOVERNMENT & TAXATION COMMITTEE**

**DATE:** Wednesday, February 01, 2012

**TIME:** 3:00 P.M.

**PLACE:** Room WW53

**MEMBERS PRESENT:** Chairman Corder, Vice Chairman Johnson, Senators Hill, McKenzie, McGee, Hammond, Siddoway, Werk, and Bilyeu

**ABSENT/  
EXCUSED:**

**NOTE:** The sign-in sheet, testimonies, and other related materials will be retained with the minutes in the committee's office until the end of the session and will then be located on file with the minutes in the Legislative Services Library.

**Chairman Corder** called the meeting to order at 3 pm. **Chairman Corder** said there was a report from the Tax Commission distributed to the committee members in the packets. The report complies with legislation passed a year ago to require the Tax Commission to report closing agreements in excess of \$50,000.

**H 358** Relating to Property Taxes; to Revise Provisions Relating to Delivery of Property Values to Cemetery Districts. **Chairman Corder** introduced **Dan John** of the Idaho State Tax Commission. **Mr. John** said Sections 1-3 change the term "assessor" to "auditor". The county auditor is the person who provides values to the taxing districts, not the assessor. See attachment #1.

**Mr. John** said the data that is available on the first Monday in July is not very accurate. All the information has not been given to the assessors by that time. The bill would change the date from the first Monday in July to the first Monday in August. However, the highway districts have their budget hearings the beginning of August, so they need the information before the first Monday in August. There is a pending amendment to H 358 to change the date for the highway districts from the first Monday in August, to the third Monday in July.

**Senator McKenzie** asked if the term auditor is another name for the clerk. **Mr. John** said the clerk is the auditor.

**MOTION:** **Senator McGee** made a motion to send H 358 to the 14th Order for possible amendment. **Senator Bilyeu** seconded, and the motion carried by Voice Vote. **Chairman Corder** will be the floor sponsor.

**PRESENTATION:** **Chairman Corder** introduced **Susan Renfro**, Director, State Board of Tax Appeals. **Ms. Renfro** introduced **Linda Pike**, Board Member for Northern Idaho and **David Kinghorn**, Board member for Southeastern Idaho.

**Ms. Renfro** said the Board of Tax Appeals was created in 1959 to provide the opportunity for taxpayers to appeal decisions of the local Boards of Equalization, the County Commissioners and also the decisions of the State Tax Commission. The Board of Tax Appeals is an independent board; it is a separate entity. The Commissioners travel to the areas where the appeal originates to hear the cases. See attachment #2. In the last six years, the amount of appeals has gone up astronomically. In 2005, there were 287 appeals; in 2006, there were 1,142. The appeals are also more complex, and the volume will probably not decrease in the near future. **Ms. Renfro** said there are only eight people at the Board of Tax Appeals. This presentation is informational, the Board is not asking for anything from the legislature.

**Senator McKenzie** asked if there is a particular type of case that is appealed most often. **Ms. Renfro** said the cases are totally different; it is usually people who feel very strongly about the issue they are questioning. It is not necessarily complex cases that are appealed.

**Senator Siddoway** asked what is the average time frame spent on a case. **Ms. Renfro** said it depends on the complexity; a hearing takes about a couple of hours, the decision will take at least two days. **Senator Siddoway** asked if the board is involved in every aspect of the process, or is the staff able to take care of some of the issues. **Ms. Renfro** said the Board is fully involved; there is not a decision that goes out without Board review. **Senator Siddoway** asked if a taxpayer decides to appeal and hears what steps need to be taken to appeal; do they then decide not to appeal. **Ms. Renfro** replied there are some who decide not to appeal.

**Senator Werk** asked if there was a reason Twin Falls County had so many appeals. **Ms Renfro** replied there is usually one county that has a lot of appeals. Twin Falls had a lot of subdivisions that had home values decreased.

**Senator Werk** asked if the job of the Board would be easier if there was sales price disclosure on property. **Ms. Renfro** said there is so much information available now, which is very helpful to taxpayers. However, one side may have all the information and the other side may not.

**Chairman Corder** said the Board is designated as part time, but if the total appeals are divided by three; that would average one appeal per day, which would not be part time. **Ms. Renfro** said the only part of the Board that is part time is the pay; the Board members are limited to an income of \$10,000 per year. **Chairman Corder** asked what the difference is between ad valorem appeals and other appeals and why are they reported separately. **Ms. Renfro** said ad valorem appeals are on a different cycle. The cycle starts September/October right after the June assessment notice is received. Ad valorem includes property values and exemptions such as agriculture and homeowner.

**MOTION:** **Senator Werk** made a motion to approve the minutes of January 24, 2012. **Senator Bilyeu** seconded, and the motion carried by Voice Vote.

**Senator Siddoway** made a motion to approve the minutes of January 25, 2012. **Senator McKenzie** seconded, and the motion carried by Voice Vote.

**Senator McGee** made a motion to approve the minutes of January 26, 2012. **Senator Hammond** seconded, and the motion carried by Voice Vote.

**ADJOURNMENT:** The meeting was adjourned at 3:40 pm.

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Senator Corder  
Chairman

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Jo Ann Bujarski  
Secretary