

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 276

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1 RELATING TO PERSONAL PROPERTY TAX; AMENDING SECTION 63-201, IDAHO CODE, TO
2 REVISE DEFINITIONS; AMENDING CHAPTER 4, TITLE 63, IDAHO CODE, BY THE
3 ADDITION OF A NEW SECTION 63-412, IDAHO CODE, TO ESTABLISH PROVISIONS
4 RELATING TO TOTAL OPERATING PROPERTY VALUE THAT REPRESENTS PERSONAL
5 PROPERTY, TO PROVIDE THAT THE STATE TAX COMMISSION WILL COMPUTE AN
6 AMOUNT OF OPERATING PROPERTY VALUE EXEMPT FROM CERTAIN TAXATION, TO
7 PROVIDE THAT AN AMOUNT OF VALUE SHALL BE CERTIFIED TO EACH COUNTY BY THE
8 STATE TAX COMMISSION, TO PROVIDE THAT CERTAIN PROVISIONS SHALL NOT AP-
9 PLY TO CERTAIN COMPANIES AND TO ESTABLISH ADDITIONAL PROVISIONS RELAT-
10 ING TO SUCH COMPANIES; AMENDING SECTION 63-602, IDAHO CODE, TO PROVIDE
11 A CODE REFERENCE AND TO PROVIDE THAT CERTAIN EXEMPTIONS DO NOT REQUIRE
12 APPLICATION; REPEALING SECTION 63-602KK, IDAHO CODE, RELATING TO PROP-
13 ERTY EXEMPT FROM TAXATION; AMENDING CHAPTER 6, TITLE 63, IDAHO CODE, BY
14 THE ADDITION OF A NEW SECTION 63-602KK, IDAHO CODE, TO ESTABLISH PROVI-
15 SIONS RELATING TO CERTAIN PERSONAL PROPERTY BEING EXEMPT FROM PROPERTY
16 TAXATION, TO ESTABLISH PROVISIONS THAT AN EXEMPTION SHALL NOT APPLY TO
17 CERTAIN ITEMS, TO ESTABLISH PROVISIONS RELATING TO CERTAIN PROPERTY
18 ACQUIRED AFTER A CERTAIN DATE, TO ESTABLISH PROVISIONS RELATING TO A
19 CONCURRENT RESOLUTION AND AN EXECUTIVE ORDER, TO ESTABLISH CERTAIN CON-
20 DITIONS, TO PROVIDE THAT NOTHING IN THIS SECTION SHALL AFFECT THE TAXA-
21 TION OF FOREST LANDS, CERTAIN FOREST PRODUCTS OR THE TAXATION OF THE NET
22 PROFITS OF MINES; AMENDING SECTION 63-802, IDAHO CODE, TO PROVIDE FOR AN
23 EXCEPTION, TO REVISE PROVISIONS RELATING TO THE DOLLAR AMOUNT OF PROP-
24 ERTY TAXES CERTIFIED FOR AN ANNUAL BUDGET, TO PROVIDE THAT ANY AMOUNT OF
25 REIMBURSEMENT COMPUTED MUST BE SUBTRACTED FROM THE AMOUNT OTHERWISE TO
26 BE LEVIED FOR CERTAIN FUNDS AND TO MAKE TECHNICAL CORRECTIONS; AMENDING
27 SECTION 63-802, IDAHO CODE, AS ADDED BY SECTION 12, CHAPTER 339, LAWS
28 OF 2012, TO PROVIDE FOR AN EXCEPTION, TO REVISE PROVISIONS RELATING TO
29 THE DOLLAR AMOUNT OF PROPERTY TAXES CERTIFIED FOR AN ANNUAL BUDGET, TO
30 PROVIDE THAT ANY AMOUNT OF REIMBURSEMENT COMPUTED MUST BE SUBTRACTED
31 FROM THE AMOUNT OTHERWISE TO BE LEVIED FOR CERTAIN FUNDS AND TO MAKE
32 TECHNICAL CORRECTIONS; AMENDING CHAPTER 8, TITLE 63, IDAHO CODE, BY
33 THE ADDITION OF A NEW SECTION 63-802B, IDAHO CODE, TO PROVIDE FOR EX-
34 CEPTIONS, TO ESTABLISH PROVISIONS RELATING TO THE STATE TAX COMMISSION
35 DETERMINING THE AMOUNT OF TAX ON PERSONAL PROPERTY, CERTIFYING SUCH
36 AMOUNT AND CERTIFYING THE AMOUNT ELIGIBLE FOR REIMBURSEMENT, TO ES-
37 TABLISH PROVISIONS RELATING TO AN ADJUSTMENT, TO ESTABLISH PROVISIONS
38 RELATING TO CERTAIN TAX YEARS THAT A PORTION OF THE AMOUNT CERTIFIED
39 SHALL BE REIMBURSED AND SUBTRACTED, TO PROVIDE THAT IN A CERTAIN TAX
40 YEAR, AND EVERY TAX YEAR THEREAFTER, ALL OF THE AMOUNT CERTIFIED SHALL
41 BE REIMBURSED AND SUBTRACTED, TO PROVIDE THAT A SEPARATE AMOUNT WILL BE
42 DETERMINED FOR CERTAIN LEVIES AND FOR CERTAIN OTHER FUNDS, TO PROVIDE
43 THAT NO REVENUE ALLOCATION AREA OF AN URBAN RENEWAL DISTRICT ESTAB-
44 LISHED AFTER A CERTAIN DATE SHALL BE ELIGIBLE FOR REIMBURSEMENT MONEYS,
45

1 TO PROVIDE THAT NO TAXING DISTRICT ESTABLISHED ON OR AFTER A CERTAIN
 2 DATE SHALL BE ELIGIBLE FOR CERTAIN REIMBURSEMENT MONEYS, TO ESTABLISH
 3 PROVISIONS RELATING TO CONSOLIDATIONS AND DISSOLUTIONS OF DISTRICTS,
 4 TO ESTABLISH PROVISIONS RELATING TO CERTAIN REIMBURSEMENT PAYMENTS, TO
 5 ESTABLISH PROVISIONS RELATING TO CERTAIN PROPERTY EXEMPT PURSUANT TO A
 6 ONE HUNDRED THOUSAND DOLLAR LIMIT, TO ESTABLISH PROVISIONS RELATING TO
 7 CERTAIN REIMBURSEMENT, TO ESTABLISH PROVISIONS RELATING TO MONEYS RE-
 8 CEIVED FROM DISTRIBUTIONS AND TO PROVIDE THAT NO REIMBURSEMENT SHALL BE
 9 CALCULATED FOR CERTAIN PROPERTY; AMENDING SECTION 63-803, IDAHO CODE,
 10 TO PROVIDE THAT AFTER RECEIPT OF A CERTIFICATION, THE COUNTY COMMIS-
 11 SIONERS SHALL MAKE A TAX LEVY BY TAKING THE APPROVED CERTIFIED AMOUNT
 12 REQUIRED FROM PROPERTY TAX AS A PERCENT OF TAXABLE VALUE OF ALL PROPERTY
 13 IN THE TAXING DISTRICT, TO ESTABLISH PROVISIONS RELATING TO TAXABLE
 14 VALUE AND TO REVISE EXCEPTIONS; AMENDING SECTION 63-803, IDAHO CODE, AS
 15 ADDED BY SECTION 13, CHAPTER 339, LAWS OF 2012, TO PROVIDE THAT AFTER RE-
 16 CEIPT OF A CERTIFICATION, THE COUNTY COMMISSIONERS SHALL MAKE A TAX LEVY
 17 BY TAKING THE APPROVED CERTIFIED AMOUNT REQUIRED FROM PROPERTY TAX AS A
 18 PERCENT OF TAXABLE VALUE OF ALL PROPERTY IN THE TAXING DISTRICT, TO ES-
 19 TABLISH PROVISIONS RELATING TO TAXABLE VALUE AND TO REVISE EXCEPTIONS;
 20 AMENDING SECTION 63-3638, IDAHO CODE, TO REVISE PROVISIONS RELATING
 21 TO DISTRIBUTIONS OF THE SALES TAX, TO PROVIDE A CORRECT CODE REFERENCE
 22 AND TO MAKE TECHNICAL CORRECTIONS; DECLARING AN EMERGENCY, PROVIDING
 23 RETROACTIVE APPLICATION AND PROVIDING EFFECTIVE DATES.

24 Be It Enacted by the Legislature of the State of Idaho:

25 SECTION 1. That Section 63-201, Idaho Code, be, and the same is hereby
 26 amended to read as follows:

27 63-201. DEFINITIONS. As used for property tax purposes in chapters 1
 28 through 23, title 63, Idaho Code, the terms defined in this section shall
 29 have the following meanings, unless the context clearly indicates another
 30 meaning:

31 (1) "Appraisal" means an estimate of property value for property tax
 32 purposes.

33 (a) For the purpose of estimated property value to place the value on
 34 any assessment roll, the value estimation must be made by the assessor
 35 or a certified property tax appraiser.

36 (b) For the purpose of estimating property value to present for an ap-
 37 appeal filed pursuant to sections 63-501A, 63-407 and 63-409, Idaho Code,
 38 the value estimation may be made by the assessor, a certified property
 39 tax appraiser, a licensed appraiser, or a certified appraiser or any
 40 party as specified by law.

41 (2) "Bargeline" means those water transportation tugs, boats, barges,
 42 lighters and other equipment and property used in conjunction with waterways
 43 for bulk transportation of freight or ship assist.

44 (3) "Cogenerators" means facilities which produce electric energy, and
 45 steam or forms of useful energy which are used for industrial, commercial,
 46 heating or cooling purposes.

47 (4) "Collection costs" are amounts authorized by law to be added after
 48 the date of delinquency and collected in the same manner as property tax.

1 (5) "Credit card" means a card or device, whether known as a credit card
2 or by any other name, issued under an arrangement pursuant to which a card is-
3 suer gives to a cardholder the privilege of obtaining credit from the card
4 issuer or other person in purchasing or leasing property or services, ob-
5 taining loans, or otherwise.

6 (6) "Debit card" means any instrument or device, whether known as a
7 debit card or by any other name, issued with or without a fee by an issuer for
8 the use of the cardholder in depositing, obtaining or transferring funds.

9 (7) "Delinquency" means any property tax, special assessment, fee,
10 collection cost, or charge collected in the same manner as property tax, that
11 has not been paid in the manner and within the time limits provided by law.

12 (8) "Electronic funds transfer" means any transfer of funds that is
13 initiated by electronic means, such as an electronic terminal, telephone,
14 computer, ATM or magnetic tape.

15 (9) (a) "Fixtures" means those articles that, although once movable
16 chattels, have become accessory to and a part of improvements to real
17 property by having been physically incorporated therein or annexed or
18 affixed thereto in such a manner that removing them would cause material
19 injury or damage to the real property, the use or purpose of such arti-
20 cles is integral to the use of the real property to which it is affixed,
21 and a person would reasonably be considered to intend to make the arti-
22 cles permanent additions to the real property.

23 (b) "Fixtures" includes systems for the heating, air conditioning,
24 ventilation, sanitation, ~~lighting~~ electricity and plumbing of ~~such a~~
25 building. "Fixtures" does not include machinery, equipment or other
26 articles that are affixed to real property to enable the proper utiliza-
27 tion of such articles.

28 (10) "Floating home" means a floating structure that is designed and
29 built to be used, or is modified to be used, as a stationary waterborne resi-
30 dential dwelling.

31 (11) "Improvements" means all buildings, structures, fixtures, manu-
32 factured homes, as defined in section 39-4105(8), Idaho Code, mobile homes
33 as defined in section 39-4105(9), Idaho Code, and modular buildings, as de-
34 fined in section 39-4301(7), Idaho Code, erected upon or affixed to land,
35 fences, water ditches constructed for mining, manufacturing or irrigation
36 purposes, ~~fixtures~~, and floating homes, whether or not such improvements are
37 owned separately from the ownership of the land upon or to which the same
38 may be erected, affixed or attached. The term "improvements" also includes
39 all fruit, nut-bearing and ornamental trees or vines not of natural growth,
40 growing upon the land, except nursery stock.

41 (12) "Late charge" means a charge of two percent (2%) of the delin-
42 quency.

43 (13) "Lawful money of the United States" means currency and coin of the
44 United States at par value and checks and drafts which are payable in dollars
45 of the United States at par value, payable upon demand or presentment.

46 (14) "Legal tender" means lawful money as defined in subsection (13) of
47 this section.

48 (15) "Market value" means the amount of United States dollars or equiva-
49 lent for which, in all probability, a property would exchange hands between a
50 willing seller, under no compulsion to sell, and an informed, capable buyer,

1 with a reasonable time allowed to consummate the sale, substantiated by a
2 reasonable down or full cash payment.

3 (16) "Operating property" means real and personal property operated
4 in connection with any public utility, railroad or private railcar fleet,
5 wholly or partly within this state, and which property is necessary to the
6 maintenance and operation of the public utility, railroad or private railcar
7 fleet, and the roads or lines thereof, and includes all rights-of-way ac-
8 companied by title; roadbeds; tracks; pipelines; bargelines; equipment and
9 docks; terminals; rolling stock; equipment; power stations; power sites;
10 lands; reservoirs, generating plants, transmission lines, distribution
11 lines and substations; and all title and interest in such property, as owner,
12 lessee or otherwise. The term includes electrical generation plants under
13 construction, whether or not owned by or operated in connection with any
14 public utility. For the purpose of the appraisal, assessment and taxation of
15 operating property, pursuant to chapter 4, title 63, Idaho Code, the value of
16 intangible personal property shall be excluded from the taxable value of op-
17 erating property in accordance with the provisions of section 63-602L, Idaho
18 Code, and the value of personal property, other than intangible personal
19 property, shall be excluded from the taxable value of operating property in
20 accordance with the provisions of section 63-602KK, Idaho Code.

21 (17) "Party in interest" means a person who holds a properly recorded
22 mortgage, deed of trust or security interest.

23 (18) "Person" means any entity, individual, corporation, partnership,
24 firm, association, limited liability company, limited liability partner-
25 ship or other such entities as recognized by the state of Idaho.

26 (19) "Personal property" means everything that is the subject of owner-
27 ship and that is not included within the term "real property."

28 (20) "Private railcar fleet" means railroad cars or locomotives owned
29 by, leased to, occupied by or franchised to any person other than a railroad
30 company operating a line of railroad in Idaho or any company classified as a
31 railroad by the interstate commerce commission and entitled to possess such
32 railroad cars and locomotives except those possessed solely for the purpose
33 of repair, rehabilitation or remanufacturing of such locomotives or rail-
34 road cars.

35 (21) "Public utility" means electrical companies, pipeline companies,
36 natural gas distribution companies, or power producers included within fed-
37 eral law, bargelines, and water companies which are under the jurisdiction
38 of the Idaho public utilities commission. The term also includes telephone
39 corporations, as that term is defined in section 62-603, Idaho Code, except
40 as hereinafter provided, whether or not such telephone corporation has been
41 issued a certificate of convenience and necessity by the Idaho public utili-
42 ties commission.

43 This term does not include cogenerators, mobile telephone service or
44 companies, nor does it include pager service or companies, except when such
45 services are an integral part of services provided by a certificated utility
46 company, nor does the term "public utility" include companies or persons en-
47 gaged in the business of providing solely on a resale basis, any telephone or
48 telecommunication service which is purchased from a telephone corporation
49 or company.

1 (22) "Railroad" means every kind of railway, whether its line of rails
 2 or tracks be at, above or below the surface of the earth, and without regard
 3 to the kind of power used in moving its rolling stock, and shall be consid-
 4 ered to include every kind of street railway, suburban railway or interur-
 5 ban railway excepting facilities established solely for maintenance and re-
 6 building of railroad cars or locomotives.

7 (23) "Real property" means land and all rights and privileges thereto
 8 belonging or any way appertaining, all quarries and fossils in and under the
 9 land, and all other property which the law defines, or the courts may inter-
 10 pret, declare and hold to be real property under the letter, spirit, intent
 11 and meaning of the law, improvements and all standing timber thereon, in-
 12 cluding standing timber owned separately from the ownership of the land upon
 13 which the same may stand, except as modified in chapter 17, title 63, Idaho
 14 Code. Timber, forest, forest land, and forest products shall be defined as
 15 provided in chapter 17, title 63, Idaho Code.

16 (24) "Record owner" means the person or persons in whose name or names
 17 the property stands upon the records of the county recorder's office. Where
 18 the record owners are husband and wife at the time of notice of pending issue
 19 of tax deed, notice to one (1) shall be deemed and imputed as notice to the
 20 other spouse.

21 (25) "Special assessment" means a charge imposed upon property for a
 22 specific purpose, collected and enforced in the same manner as property
 23 taxes.

24 (26) "System value" means the market value for assessment purposes of
 25 the operating property when considered as a unit.

26 (27) "Tax code area" means a geographical area made up of one (1) or more
 27 taxing districts with one (1) total levy within the geographic area, except
 28 as otherwise provided by law.

29 (28) "Taxing district" means any entity or unit with the statutory au-
 30 thority to levy a property tax.

31 (29) "Taxable value" means market value for assessment purposes, less
 32 applicable exemptions or other statutory provisions.

33 (30) "Transient personal property" is personal property, specifically
 34 such construction, logging or mining machinery and equipment which is kept,
 35 moved, transported, shipped, hauled into or remaining for periods of not
 36 less than thirty (30) days, in more than one (1) county in the state during
 37 the same year.

38 (31) "Warrant of distraint" means a warrant ordering the seizure of per-
 39 sonal property to enforce payment of property tax, special assessment, ex-
 40 pense, fee, collection cost or charge collected in the same manner as per-
 41 sonal property tax.

42 SECTION 2. That Chapter 4, Title 63, Idaho Code, be, and the same is
 43 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
 44 ignated as Section 63-412, Idaho Code, and to read as follows:

45 63-412. PERSONAL PROPERTY OF OPERATING PROPERTY. (1) Except as pro-
 46 vided in subsection (3) of this section, for companies subject to this
 47 chapter, the portion of their total operating property value that represents
 48 personal property is defined as the following percentages of total operating
 49 property value as determined pursuant to section 63-401, Idaho Code:

Industry	Percentage
Gas Distribution	95%
Gas Transmission	90%
Petroleum Pipelines	90%
Railcar Companies	100%
Water Distribution	90%
Railroads	80%
Water Transportation	100%
Electric	55%
Telecommunications	90%

(2) Except as provided in subsection (3) of this section, beginning in 2013, the state tax commission will compute an amount of operating property value exempt pursuant to section 63-602KK, Idaho Code, based upon the percentages provided for in paragraphs (a) through (g) of this subsection, and shall apportion such exempt value to each taxing district and unit. Such amount of value shall be certified to each county by the state tax commission by the first Monday in September of each year.

(a) For tax year 2013, one hundred thousand dollars (\$100,000) of the taxable value of such personal property shall be exempt from property taxation.

(b) For tax year 2014, one hundred thousand dollars (\$100,000) plus one-sixth (1/6) of the remaining taxable value of such personal property shall be exempt from property taxation.

(c) For tax year 2015, one hundred thousand dollars (\$100,000) plus one-third (1/3) of the remaining taxable value of such personal property shall be exempt from property taxation.

(d) For tax year 2016, one hundred thousand dollars (\$100,000) plus one-half (1/2) of the remaining taxable value of such personal property shall be exempt from property taxation.

(e) For tax year 2017, one hundred thousand dollars (\$100,000) plus two-thirds (2/3) of the remaining taxable value of such personal property shall be exempt from property taxation.

(f) For tax year 2018, one hundred thousand dollars (\$100,000) plus five-sixths (5/6) of the remaining taxable value of such personal property shall be exempt from property taxation.

(g) For tax year 2019, and for each tax year thereafter, one hundred percent (100%) of the taxable value of such personal property shall be exempt from property taxation.

(3) The provisions of subsections (1) and (2) of this section shall not apply to gas distribution companies, water distribution companies or electric companies, whose rates to customers are established or subject to review by the Idaho public utilities commission pursuant to sections 61-502 and 63-503, Idaho Code. Instead, the portion of the operating property of such companies that represents personal property shall be equal to the percentage identified for such companies in subsection (1) of this section, applied to the taxable value of operating property acquired after January 1,

1 2013, as determined before consideration of the personal property exemption
2 provided in section 63-602KK, Idaho Code. The operating property acquired
3 after January 1, 2013, which shall be eligible for the exemption provided in
4 section 63-602KK, Idaho Code, shall not include property obtained in the ac-
5 quisition of all or any portion of the assets of one (1) company by another,
6 whether that acquisition is by a purchase of assets, stock or merger of two
7 (2) companies. The state tax commission shall promulgate rules to determine
8 the portion of the entire taxable value of operating property of these com-
9 panies is represented by the property acquired after January 1, 2013. The
10 rules shall be promulgated in compliance with chapter 52, title 67, Idaho
11 Code.

12 SECTION 3. That Section 63-602, Idaho Code, be, and the same is hereby
13 amended to read as follows:

14 63-602. PROPERTY EXEMPT FROM TAXATION. (1) Property shall be exempt
15 from taxation as provided in titles 21, 22, 25, 26, 31, 33, 39, 41, 42, 49, 50,
16 67 and 70, Idaho Code, and in chapters 6, 24, 30, 35 and 45, title 63, Idaho
17 Code; provided, that no deduction shall be made in assessment of shares of
18 capital stock of any corporation or association for exemptions claimed under
19 this section, and provided further, that the term "full cash value" wherever
20 used in this act shall mean the actual assessed value of the property as to
21 which an exemption is claimed.

22 (2) The use of the words "exclusive" or "exclusively" in this chapter
23 shall mean used exclusively for any one (1) or more, or any combination of,
24 the exempt purposes provided hereunder and property used for more than one
25 (1) exempt purpose, pursuant to the provisions of sections 63-602A through
26 63-602NN, Idaho Code, shall be exempt from taxation hereunder so long as the
27 property is used exclusively for one (1) or more or any combination of the
28 exempt purposes provided hereunder.

29 (3) All exemptions from property taxation claimed shall be approved an-
30 nually by the board of county commissioners or unless otherwise provided:

31 (a) Exemptions pursuant to sections 63-602A, 63-602F, 63-602I,
32 63-602J, 63-602K for land of more than five (5) contiguous acres,
33 63-602L(1), 63-602M, 63-602R, 63-602S, 63-602U, 63-602V, 63-602W,
34 63-602Z, 63-602DD(1), 63-602EE, 63-602KK, 63-2431, 63-3502, 63-3502A
35 and 63-3502B, Idaho Code, do not require application or approval by the
36 board of county commissioners. For all other exemptions in title 63,
37 Idaho Code, the process of applying is as specified in the exemption
38 statutes or, if no process is specified and application is necessary to
39 identify the property eligible for the exemption, annual application is
40 required. Exemptions in other titles require no application.

41 (b) For exemptions that require an application, provided such exemp-
42 tions are for property otherwise subject to assessment by the county
43 assessor, the application must be made to the county commissioners by
44 April 15 and the taxpayer and county assessor must be notified of any de-
45 cision by May 15, unless otherwise provided by law. The decision of the
46 county commissioners and any subsequent assessment notices sent to the
47 taxpayer may be appealed to the county board of equalization pursuant to
48 sections 63-501 and 63-501A, Idaho Code.

1 (c) Exemptions pursuant to section 63-412, Idaho Code, do not require
2 application. For exemptions that require an application, provided
3 such exemptions are for property otherwise subject to assessment by the
4 state tax commission, application for exemption shall be included with
5 the annual operator's statement as required pursuant to section 63-404,
6 Idaho Code. Notice of the decision and its effect on the assessment will
7 be provided in accordance with procedures specified in chapter 4, title
8 63, Idaho Code. Appeals shall be to the state tax commission in accor-
9 dance with section 63-407, Idaho Code.

10 SECTION 4. That Section 63-602KK, Idaho Code, be, and the same is hereby
11 repealed.

12 SECTION 5. That Chapter 6, Title 63, Idaho Code, be, and the same is
13 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
14 ignated as Section 63-602KK, Idaho Code, and to read as follows:

15 63-602KK. PROPERTY EXEMPT FROM TAXATION -- CERTAIN PERSONAL PROPERTY.

16 (1) (a) Subject to the schedule in subsection (2) of this section and
17 the schedule and definitions provided for in section 63-412, Idaho
18 Code, on or after January 1, 2013, personal property shall be exempt
19 from property taxation by any taxing district.

20 (b) The exemption from personal property tax provided for in this sec-
21 tion shall not apply to motor vehicles, recreational vehicles, aircraft
22 and boats which are not registered with the state of Idaho and for which
23 required registration fees have not been paid.

24 (2) (a) For tax year 2013, one hundred thousand dollars (\$100,000) of
25 the taxable value of personal property shall be exempt from property
26 taxation.

27 (b) For tax year 2014, one hundred thousand dollars (\$100,000) plus
28 one-sixth (1/6) of the remaining taxable value of personal property
29 shall be exempt from property taxation.

30 (c) For tax year 2015, one hundred thousand dollars (\$100,000) plus
31 one-third (1/3) of the remaining taxable value of personal property
32 shall be exempt from property taxation.

33 (d) For tax year 2016, one hundred thousand dollars (\$100,000) plus
34 one-half (1/2) of the remaining taxable value of personal property
35 shall be exempt from property taxation.

36 (e) For tax year 2017, one hundred thousand dollars (\$100,000) plus
37 two-thirds (2/3) of the remaining taxable value of personal property
38 shall be exempt from property taxation.

39 (f) For tax year 2018, one hundred thousand dollars (\$100,000) plus
40 five-sixths (5/6) of the remaining taxable value of personal property
41 shall be exempt from property taxation.

42 (g) For tax year 2019, and for each tax year thereafter, one hundred
43 percent (100%) of all personal property held by a taxpayer shall be ex-
44 empt from taxation.

45 (3) The personal property of gas distribution companies, water distri-
46 bution companies or electric companies, as defined in section 63-412(3),
47 Idaho Code, shall be exempt beginning with tax year 2013 for property ac-

1 quired on or after January 1, 2013. The exemption for such property shall not
2 be subject to the phase-in provided in subsection (2) of this section.

3 (4) A change in the proportion of taxable value scheduled to be exempt
4 pursuant to subsection (2) of this section shall not take place if a major-
5 ity of the membership of each house of the legislature adopts a concurrent
6 resolution requesting that the governor issue an executive order directing
7 the state tax commission that the exemption allowed in this section remain
8 unchanged for the tax year in which the requesting legislature is meeting,
9 and if the governor concurs and issues such an executive order, the exemption
10 shall remain unchanged for that tax year.

11 (5) A change in the proportion of taxable value scheduled to be exempt
12 pursuant to subsection (2) of this section for tax years subsequent to tax
13 year 2013 shall not take place if all of the following conditions are met:

14 (a) The governor has ordered a temporary reduction of general fund
15 spending authority, pursuant to section 67-3512A, Idaho Code, between
16 July 1 and October 1 of the tax year for which the change in the propor-
17 tion of taxable value scheduled to be exempt pursuant to subsection (2)
18 of this section;

19 (b) The temporary reduction of general fund spending authority is still
20 in effect on October 1 of the tax year for which the change in the propor-
21 tion of taxable value scheduled to be exempt pursuant to subsection (2)
22 of this section;

23 (c) The amount of the temporary reduction in general fund spending au-
24 thority equals or exceeds one percent (1%) of the moneys that the leg-
25 islature has appropriated from the general fund for the fiscal year for
26 which the temporary reductions have been ordered; and

27 (d) The governor issues an executive order directing the state tax com-
28 mission that the exemption allowed in subsection (1) of this section re-
29 main unchanged for the tax year during which the temporary reduction of
30 general fund spending authority has been ordered and the executive or-
31 der issued.

32 (6) Nothing contained in this section shall affect the taxation of for-
33 est lands or forest products pursuant to chapter 17, title 63, Idaho Code,
34 or the taxation of the net profits of mines pursuant to chapter 28, title 63,
35 Idaho Code.

36 SECTION 6. That Section 63-802, Idaho Code, be, and the same is hereby
37 amended to read as follows:

38 63-802. LIMITATION ON BUDGET REQUESTS -- LIMITATION ON TAX CHARGES --
39 EXCEPTIONS. (1) Except as provided in subsections (3) and (4) of this section
40 and except as provided for in section 63-802B, Idaho Code, no taxing district
41 shall certify a budget request for an amount of property tax revenues to fi-
42 nance an annual budget that exceeds the greater of paragraphs (a) through (i)
43 of this subsection inclusive:

44 (a) The For tax year 2014, and each year thereafter, the dollar amount
45 of property taxes certified for its annual budget for any one (1) of
46 the three (3) tax years preceding the current tax year, whichever is
47 greater, for the past tax year including the amount for reimbursement
48 computed pursuant to the provisions of section 63-802B, Idaho Code, for
49 personal property taxes generated by all levies except those described

1 in subsection (4) of this section, which amount may be increased by a
2 growth factor of not to exceed three percent (3%) plus the amount of
3 revenue calculated as described in this subsection. Multiply the levy
4 of the previous year, not including any levy described in subsection (4)
5 of this section, or any school district levy reduction resulting from
6 a distribution of state funds pursuant to section 63-3638(11), Idaho
7 Code, by the value shown on the new construction roll compiled pursuant
8 to section 63-301A, Idaho Code; and by the value of annexation during
9 the previous calendar year, as certified by the state tax commission
10 for market values of operating property of public utilities and by the
11 county assessor;

12 (b) The dollar amount of property taxes certified for its annual budget
13 during the last year in which a levy was made;

14 (c) The dollar amount of the actual budget request, if the taxing dis-
15 trict is newly created except as may be provided in subsection (1) (h) of
16 this section;

17 (d) In the case of school districts, the restriction imposed in section
18 33-802, Idaho Code;

19 (e) In the case of a nonschool district for which less than the maximum
20 allowable increase in the dollar amount of property taxes is certified
21 for annual budget purposes in any one (1) year, such a district may, in
22 any following year, recover the foregone increase by certifying, in ad-
23 dition to any increase otherwise allowed, an amount not to exceed one
24 hundred percent (100%) of the increase originally foregone. Said addi-
25 tional amount shall be included in future calculations for increases as
26 allowed;

27 (f) In the case of cities, if the immediately preceding year's levy
28 subject to the limitation provided by this section, is less than 0.004,
29 the city may increase its budget by an amount not to exceed the differ-
30 ence between 0.004 and actual prior year's levy multiplied by the prior
31 year's market value for assessment purposes. The additional amount
32 must be approved by sixty percent (60%) of the voters voting on the ques-
33 tion at an election called for that purpose and held on the date in May or
34 November provided by law, and may be included in the annual budget of the
35 city for purposes of this section;

36 (g) A taxing district may submit to the electors within the district
37 the question of whether the budget from property tax revenues may be
38 increased beyond the amount authorized in this section, but not beyond
39 the levy authorized by statute. The additional amount must be approved
40 by sixty-six and two-thirds percent (66 2/3%) or more of the voters
41 voting on the question at an election called for that purpose and held
42 on the May or November dates provided by section 34-106, Idaho Code.
43 If approved by the required minimum sixty-six and two-thirds percent
44 (66 2/3%) of the voters voting at the election, the new budget amount
45 shall be the base budget for the purposes of this section;

46 (h) When a nonschool district consolidates with another nonschool
47 district or dissolves and a new district performing similar governmen-
48 tal functions as the dissolved district forms with the same boundaries
49 within three (3) years, the maximum amount of a budget of the district
50 from property tax revenues shall not be greater than the sum of the

1 amounts that would have been authorized by this section for the district
2 itself or for the districts that were consolidated or dissolved and in-
3 corporated into a new district;

4 (i) In the instance or case of cooperative service agencies, the re-
5 strictions imposed in sections 33-315 through 33-318, Idaho Code.

6 (2) In the case of fire districts, during the year immediately follow-
7 ing the election of a public utility or public utilities to consent to be pro-
8 vided fire protection pursuant to section 31-1425, Idaho Code, the maximum
9 amount of property tax revenues permitted in subsection (1) of this section
10 may be increased by an amount equal to the current year's taxable value of the
11 consenting public utility or public utilities multiplied by that portion of
12 the prior year's levy subject to the limitation provided by subsection (1) of
13 this section.

14 (3) No board of county commissioners shall set a levy, nor shall the
15 state tax commission approve a levy for annual budget purposes ~~which that ex-~~
16 ~~ceeds the limitation imposed in subsection (1) of this section,~~ unless au-
17 ~~thority to exceed such limitation has been approved by a majority of the tax-~~
18 ~~ing district's electors voting on the question at an election called for that~~
19 ~~purpose and held pursuant to section 34-106, Idaho Code,~~ provided however,
20 that such voter approval shall be for a period of not to exceed two (2) years.

21 (4) The amount of property tax revenues to finance an annual budget does
22 not include revenues from nonproperty tax sources, and does not include rev-
23 enue from levies to satisfy judgments pursuant to section 63-1305A, Idaho
24 Code, and revenue from levies that are voter approved for bonds, override
25 levies or supplemental levies, plant facilities reserve fund levies, school
26 emergency fund levies or for levies applicable to newly annexed property or
27 for levies applicable to new construction as evidenced by the value of prop-
28 erty subject to the occupancy tax pursuant to section 63-317, Idaho Code, for
29 the preceding tax year; provided that any amount of reimbursement computed
30 pursuant to section 63-802B, Idaho Code, resulting from the levy of any of
31 the funds in this subsection must be subtracted from the amount otherwise to
32 be levied for any of the funds in this subsection.

33 SECTION 7. That Section 63-802, Idaho Code, as added by Section 12,
34 Chapter 339, Laws of 2012, be, and the same is hereby amended to read as fol-
35 lows:

36 63-802. LIMITATION ON BUDGET REQUESTS -- LIMITATION ON TAX CHARGES --
37 EXCEPTIONS. (1) Except as provided in subsection (3) of this section and ex-
38 cept as provided for in section 63-802B, Idaho Code, no taxing district shall
39 certify a budget request for an amount of property tax revenues to finance an
40 annual budget that exceeds the greater of paragraphs (a) through (i) of this
41 subsection inclusive:

42 (a) The For tax year 2014, and each year thereafter, the dollar amount
43 of property taxes certified for its annual budget for any one (1) of
44 the three (3) tax years preceding the current tax year, whichever is
45 greater, for the past tax year including the amount computed for reim-
46 bursment pursuant to the provisions of section 63-802B, Idaho Code,
47 for personal property taxes generated by all levies except those de-
48 scribed in subsection (4) of this section, which amount may be increased
49 by a growth factor of not to exceed three percent (3%) plus the amount of

1 revenue calculated as described in this subsection. Multiply the levy
2 of the previous year, not including any levy described in subsection (4)
3 of this section, or any school district levy reduction resulting from
4 a distribution of state funds pursuant to section 63-3638(11), Idaho
5 Code, by the value shown on the new construction roll compiled pursuant
6 to section 63-301A, Idaho Code; and by the value of annexation during
7 the previous calendar year, as certified by the state tax commission
8 for market values of operating property of public utilities and by the
9 county assessor.

10 (b) The dollar amount of property taxes certified for its annual budget
11 during the last year in which a levy was made;

12 (c) The dollar amount of the actual budget request, if the taxing dis-
13 trict is newly created except as may be provided in subsection (1) (h) of
14 this section;

15 (d) In the case of school districts, the restriction imposed in section
16 33-802, Idaho Code;

17 (e) In the case of a nonschool district for which less than the maximum
18 allowable increase in the dollar amount of property taxes is certified
19 for annual budget purposes in any one (1) year, such a district may, in
20 any following year, recover the foregone increase by certifying, in ad-
21 dition to any increase otherwise allowed, an amount not to exceed one
22 hundred percent (100%) of the increase originally foregone. Said addi-
23 tional amount shall be included in future calculations for increases as
24 allowed;

25 (f) In the case of cities, if the immediately preceding year's levy
26 subject to the limitation provided by this section, is less than 0.004,
27 the city may increase its budget by an amount not to exceed the differ-
28 ence between 0.004 and actual prior year's levy multiplied by the prior
29 year's market value for assessment purposes. The additional amount
30 must be approved by sixty percent (60%) of the voters voting on the ques-
31 tion at an election called for that purpose and held on the date in May or
32 November provided by law, and may be included in the annual budget of the
33 city for purposes of this section;

34 (g) A taxing district may submit to the electors within the district
35 the question of whether the budget from property tax revenues may be
36 increased beyond the amount authorized in this section, but not beyond
37 the levy authorized by statute. The additional amount must be approved
38 by sixty-six and two-thirds percent (66 2/3%) or more of the voters
39 voting on the question at an election called for that purpose and held
40 on the May or November dates provided by section 34-106, Idaho Code.
41 If approved by the required minimum sixty-six and two-thirds percent
42 (66 2/3%) of the voters voting at the election, the new budget amount
43 shall be the base budget for the purposes of this section;

44 (h) When a nonschool district consolidates with another nonschool
45 district or dissolves and a new district performing similar governmen-
46 tal functions as the dissolved district forms with the same boundaries
47 within three (3) years, the maximum amount of a budget of the district
48 from property tax revenues shall not be greater than the sum of the
49 amounts that would have been authorized by this section for the district

1 itself or for the districts that were consolidated or dissolved and in-
2 corporated into a new district;

3 (i) In the instance or case of cooperative service agencies, the re-
4 strictions imposed in sections 33-315 through 33-318, Idaho Code.

5 (2) In the case of fire districts, during the year immediately follow-
6 ing the election of a public utility or public utilities to consent to be pro-
7 vided fire protection pursuant to section 31-1425, Idaho Code, the maximum
8 amount of property tax revenues permitted in subsection (1) of this section
9 may be increased by an amount equal to the current year's taxable value of the
10 consenting public utility or public utilities multiplied by that portion of
11 the prior year's levy subject to the limitation provided by subsection (1) of
12 this section.

13 (3) No board of county commissioners shall set a levy, nor shall the
14 state tax commission approve a levy for annual budget purposes ~~which that ex-~~
15 ceeds the limitation imposed in subsection (1) of this section, ~~unless au-~~
16 thority to exceed such limitation has been approved by a majority of the tax-
17 ing district's electors voting on the question at an election called for that
18 purpose and held pursuant to section 34-106, Idaho Code, ~~;~~ provided however,
19 that such voter approval shall be for a period of not to exceed two (2) years.

20 (4) The amount of property tax revenues to finance an annual budget
21 does not include revenues from nonproperty tax sources, and does not include
22 revenue from levies that are voter approved for bonds, override levies or
23 supplemental levies, plant facilities reserve fund levies, school emergency
24 fund levies or for levies applicable to newly annexed property or for levies
25 applicable to new construction as evidenced by the value of property subject
26 to the occupancy tax pursuant to section 63-317, Idaho Code, for the preced-
27 ing tax year; provided that any amount of reimbursement computed pursuant to
28 section 63-802B, Idaho Code, resulting from the levy of any of the funds in
29 this subsection must be subtracted from the amount otherwise to be levied for
30 any of the funds in this subsection.

31 SECTION 8. That Chapter 8, Title 63, Idaho Code, be, and the same is
32 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
33 ignated as Section 63-802B, Idaho Code, and to read as follows:

34 63-802B. COMPUTATION OF PERSONAL PROPERTY TAX REIMBURSEMENT. (1) Ex-
35 cept as provided for in subsection (13) of this section and except for
36 property newly exempt as a result of being acquired as provided for in sec-
37 tion 63-412(3), Idaho Code, the state tax commission shall determine the
38 amount of tax on personal property for the 2012 tax year and shall certify
39 such amount and shall certify the amount eligible for reimbursement to each
40 county by July 1 of each tax year during the phaseout period as provided
41 for in sections 63-412 and 63-602KK, Idaho Code. Such determination shall
42 be based upon information provided in the 2012 state tax commission report
43 reflecting existing levies applied to personal property on the property
44 roll, operating property roll and personal property reported on the 2011
45 subsequent and missed property rolls, hereinafter referred to as the "2012
46 report." The amounts so determined shall be adjusted by subtracting any
47 amount related to a voter approved fund that was levied in 2012, but that has
48 expired. For each year during the phaseout period as provided for in sec-
49 tions 63-412 and 63-602KK, Idaho Code, the amounts so determined shall also

1 be adjusted by subtracting any amount received for the immediately preced-
2 ing tax year as reimbursement determined in subsection (13) of this section
3 for property exempt pursuant to the one hundred thousand dollar (\$100,000)
4 limit. For purposes of the limitation provided in section 63-802, Idaho
5 Code, moneys received from distributions pursuant to this subsection, as
6 property tax replacement for the taxable value of property exempt from taxa-
7 tion pursuant to sections 63-412 and 63-602KK, Idaho Code, shall be treated
8 as property tax revenues.

9 (2) For tax year 2014, a portion of the amount certified pursuant to
10 subsection (1) of this section shall be reimbursed and subtracted as re-
11 quired in section 63-802, Idaho Code. The portion shall be one-sixth (1/6)
12 of the 2012 personal property tax amount certified under subsection (1) of
13 this section.

14 (3) For tax year 2015, a portion of the amount certified pursuant to
15 subsection (1) of this section shall be reimbursed and subtracted as re-
16 quired in section 63-802, Idaho Code. The portion shall be one-third (1/3)
17 of the 2012 personal property tax amount certified under subsection (1) of
18 this section.

19 (4) For tax year 2016, a portion of the amount certified pursuant to
20 subsection (1) of this section shall be reimbursed and subtracted as re-
21 quired in section 63-802, Idaho Code. The portion shall be one-half (1/2) of
22 the 2012 personal property tax amount certified under subsection (1) of this
23 section.

24 (5) For tax year 2017, a portion of the amount certified pursuant to
25 subsection (1) of this section shall be reimbursed and subtracted as re-
26 quired in section 63-802, Idaho Code. The portion shall be two-thirds (2/3)
27 of the 2012 personal property tax amount certified under subsection (1) of
28 this section.

29 (6) For tax year 2018, a portion of the amount certified pursuant to
30 subsection (1) of this section shall be reimbursed and subtracted as re-
31 quired in section 63-802, Idaho Code. The portion shall be five-sixths (5/6)
32 of the 2012 personal property tax amount certified under subsection (1) of
33 this section.

34 (7) For tax year 2019, and every tax year thereafter, all of the amount
35 certified pursuant to subsection (1) of this section shall be reimbursed and
36 subtracted as required in section 63-802, Idaho Code.

37 (8) Separate amounts will be determined for levies listed in section
38 63-802(4), Idaho Code, and for any other school district funds levied in
39 2012.

40 (9) No urban renewal district revenue allocation area established on or
41 after January 1, 2013, shall be eligible for reimbursement moneys pursuant
42 to the provisions of this act.

43 (10) No taxing district established on or after January 1, 2013, shall
44 be eligible for reimbursement moneys pursuant to the provisions of this act.

45 (11) (a) If taxing districts are consolidated, or if revenue allocation
46 areas within an urban renewal district are consolidated, the resulting
47 district or revenue allocation area is entitled to be reimbursed as fol-
48 lows:

49 (i) For the first one hundred thousand dollars (\$100,000) of value
50 exempt pursuant to the provisions of section 63-602KK, Idaho Code,

1 the consolidated district shall be eligible for any reimbursement
2 amounts due pursuant to the provisions of subsection (13) of this
3 section; plus

4 (ii) For any other property to which the exemption in section
5 63-602KK, Idaho Code, applies, except for property newly exempted
6 as a result of being acquired as provided in section 63-412(3),
7 Idaho Code, the amount computed pursuant to subsection (1) of this
8 section for the districts that consolidated.

9 (b) If a taxing district or revenue allocation area within an urban re-
10 newal district is dissolved, any reimbursement amount that would have
11 been distributed to such district or revenue allocation area shall not
12 be distributed.

13 (12) The reimbursements by the state tax commission provided for in
14 this section and elsewhere in this act shall be made in the following manner:
15 by no later than December 20 of each year the state tax commission shall pay
16 to the county tax collector of each county one-half (1/2) of the amount due
17 each county as reimbursement for reduction in property taxes; and shall pay
18 the second one-half (1/2) of such amount by no later than June 20 of the fol-
19 lowing year.

20 (13) (a) For property exempt pursuant to the one hundred thousand dol-
21 lar (\$100,000) limit provided for in sections 63-412 and 63-602KK,
22 Idaho Code, for each tax year consistent with the provisions of sec-
23 tions 63-412 and 63-602KK, Idaho Code, no later than the third Monday
24 of November of each year, the county clerk of each county shall certify
25 to the state tax commission the amount of exemption from property taxes
26 pursuant to sections 63-412 and 63-602KK, Idaho Code, in that county
27 for that year. The certification shall identify the property receiving
28 tax reductions, the value of the property, the property's location, the
29 amount of the tax levy applicable to personal property in the location,
30 and the tax before and after the exemption allowed in sections 63-412
31 and 63-602KK, Idaho Code. The certification shall be in the form pre-
32 scribed by the state tax commission and shall include such additional
33 information as the commission may require by rule as needed to implement
34 the purpose of this section. The certification shall be reviewed and if
35 necessary, corrected by the state tax commission.

36 (b) Subject to the limitations of this section, the state tax commis-
37 sion shall reimburse from the amount appropriated for personal property
38 tax replacement in section 63-3638, Idaho Code, the county treasurer of
39 each county for the reduction on the certification provided in subsec-
40 tion (13) (a) of this section. The county treasurer shall reimburse from
41 the amount received to each taxing district and urban renewal agency
42 within the county an amount in proportion to the amount of reduction
43 shown on the certification in subsection (13) (a) of this section as cor-
44 rected. The amount that would otherwise be attributable to tax revenues
45 derived from tax levies on personal property exempted by this sec-
46 tion within an existing revenue allocation area as defined in section
47 50-2903(15), Idaho Code, shall be paid directly by the county treasurer
48 to such public body or agency entitled thereto, equal to the amounts
49 that would have been distributed in accordance with the formula for such
50 distribution set forth in section 50-2908, Idaho Code.

1 (c) For purposes of the limitation provided in section 63-802, Idaho
2 Code, moneys received from distributions pursuant to this subsection,
3 as property tax replacement for the taxable value of property exempt
4 from taxation pursuant to this subsection shall be treated as property
5 tax revenues. However, any amount received must be subtracted from the
6 amount of property tax revenues subject to the limitations of section
7 63-802, Idaho Code, in the year immediately following the tax year for
8 which the amount was received.

9 (d) No reimbursement shall be calculated for property newly exempt as a
10 result of being acquired as provided in section 63-412 (3), Idaho Code.

11 SECTION 9. That Section 63-803, Idaho Code, be, and the same is hereby
12 amended to read as follows:

13 63-803. CERTIFICATION OF BUDGETS IN DOLLARS. (1) Whenever any taxing
14 district is required by law to certify to any county treasurer, county audi-
15 tor, county assessor, county commissioners or to any other county officer,
16 any property tax levy, upon property located within said district, such cer-
17 tification shall, notwithstanding any other provision of the law applicable
18 to any such district, be made at the time and in the manner hereinafter pro-
19 vided.

20 (2) The county auditor shall inform each of the taxing districts within
21 his county of the taxable value of that district as soon as such value is
22 known to the auditor, whether the value comes from the appraisal and assess-
23 ment of real and personal property, or from allocation of the taxable value
24 of operating property, or from other sources.

25 (3) Using the taxable value of the district, the council, trustees,
26 board or other governing body of any taxing district shall certify the total
27 amount required from a property tax upon property within the district to
28 raise the amount of money fixed by their budget as previously prepared or
29 approved. The amount of money so determined shall be certified in dollars
30 to the appropriate county commissioners. Any taxing unit, except regional
31 airport authorities, located in more than one (1) county shall divide its
32 dollar budget for certification to the separate counties by multiplying the
33 amount of such budget by a fraction, the numerator of which shall be the total
34 taxable value of all property in such taxing unit within the county to which
35 such certification is to be made, and the denominator of which shall be the
36 total taxable value of property in such taxing unit in all such counties.
37 Budget certification to the participating counties of regional airport
38 authorities shall be made in the manner prescribed in section 21-807(10),
39 Idaho Code. Taxable value shall be certified by the county auditor of each
40 affected county to such taxing unit and such certification shall be used in
41 this formula. Except as provided in section 33-805, Idaho Code, relating to
42 school emergency fund levies, the certification to the county commissioners
43 required in this section shall be made not later than the Thursday prior
44 to the second Monday in September, unless, upon application therefor, the
45 county commissioners grant an extension of not more than seven (7) working
46 days. After receipt of this certification, the county commissioners shall
47 make a tax levy by taking the approved certified amount required from prop-
48 erty tax as a percent of taxable value of all property in the taxing district,
49 ~~which when applied to the tax rolls, will meet the budget requirements certi-~~

1 ~~fied by such taxing districts. For each taxing district, taxable value shall~~
2 ~~include the value from the property and operating property rolls for the~~
3 ~~current year and subsequent and missed property rolls for the prior year or~~
4 ~~the best estimate of the subsequent and missed property rolls for the current~~
5 ~~year.~~

6 (4) Except as provided in subsection (1)(a) through (f) of section
7 50-2908, Idaho Code, for the purpose of this section, "taxable value" shall
8 mean the portion of the equalized assessed value, less any exemptions, ex-
9 cept the portion of the exemption for personal property subject to the one
10 hundred thousand dollar (\$100,000) limit provided for in section 63-602KK,
11 Idaho Code, and the value that exceeds the value of the base assessment roll
12 for the portion of any taxing district within a revenue allocation area of an
13 urban renewal district, located within each taxing district which certifies
14 a budget to be raised from a property tax levy. When the county auditor is
15 notified of revenues sufficient to cover expenses as provided in section
16 50-2903(5), Idaho Code, taxable value shall also include the value that
17 exceeds the value of the base assessment roll for the portion of any taxing
18 district within a revenue allocation area. For each taxing district, tax-
19 able value shall include the value from the property and operating property
20 rolls for the current year and subsequent and missed property rolls for the
21 prior year or the best estimate of the subsequent and missed property rolls
22 for the current year.

23 SECTION 10. That Section 63-803, Idaho Code, as added by Section 13,
24 Chapter 339, Laws of 2012, be, and the same is hereby amended to read as fol-
25 lows:

26 63-803. CERTIFICATION OF BUDGETS IN DOLLARS. (1) Whenever any taxing
27 district is required by law to certify to any county treasurer, county audi-
28 tor, county assessor, county commissioners or to any other county officer,
29 any property tax levy, upon property located within said district, such cer-
30 tification shall, notwithstanding any other provision of the law applicable
31 to any such district, be made at the time and in the manner hereinafter pro-
32 vided.

33 (2) The county auditor shall inform each of the taxing districts within
34 his county of the taxable value of that district as soon as such value is
35 known to the auditor, whether the value comes from the appraisal and assess-
36 ment of real and personal property, or from allocation of the taxable value
37 of operating property, or from other sources.

38 (3) Using the taxable value of the district, the council, trustees,
39 board or other governing body of any taxing district shall certify the total
40 amount required from a property tax upon property within the district to
41 raise the amount of money fixed by their budget as previously prepared or
42 approved. The amount of money so determined shall be certified in dollars
43 to the appropriate county commissioners. Any taxing unit, except regional
44 airport authorities, located in more than one (1) county shall divide its
45 dollar budget for certification to the separate counties by multiplying the
46 amount of such budget by a fraction, the numerator of which shall be the total
47 taxable value of all property in such taxing unit within the county to which
48 such certification is to be made, and the denominator of which shall be the
49 total taxable value of property in such taxing unit in all such counties.

1 Budget certification to the participating counties of regional airport
2 authorities shall be made in the manner prescribed in section 21-807(10),
3 Idaho Code. Taxable value shall be certified by the county auditor of each
4 affected county to such taxing unit and such certification shall be used in
5 this formula. Except as provided in section 33-805, Idaho Code, relating to
6 school emergency fund levies, the certification to the county commissioners
7 required in this section shall be made not later than the Thursday prior
8 to the second Monday in September, unless, upon application therefor, the
9 county commissioners grant an extension of not more than seven (7) working
10 days. After receipt of this certification, the county commissioners shall
11 make a tax levy by taking the approved certified amount required from prop-
12 erty tax as a percent of taxable value of all property in the taxing district,
13 which when applied to the tax rolls, will meet the budget requirements certi-
14 fied by such taxing districts. For each taxing district, taxable value shall
15 include the value from the property and operating property rolls for the
16 current year and subsequent and missed property rolls for the prior year or
17 the best estimate of the subsequent and missed property rolls for the current
18 year.

19 (4) Except as provided in subsection (1)(a) through (e) of section
20 50-2908, Idaho Code, for the purpose of this section, "taxable value" shall
21 mean the portion of the equalized assessed value, less any exemptions, ex-
22 cept the portion of the exemption for personal property subject to the one
23 hundred thousand dollar (\$100,000) limit provided for in section 63-602KK,
24 Idaho Code, and the value that exceeds the value of the base assessment roll
25 for the portion of any taxing district within a revenue allocation area of an
26 urban renewal district, located within each taxing district which certifies
27 a budget to be raised from a property tax levy. When the county auditor is
28 notified of revenues sufficient to cover expenses as provided in section
29 50-2903(5), Idaho Code, taxable value shall also include the value that
30 exceeds the value of the base assessment roll for the portion of any taxing
31 district within a revenue allocation area. For each taxing district, tax-
32 able value shall include the value from the property and operating property
33 rolls for the current year and subsequent and missed property rolls for the
34 prior year or the best estimate of the subsequent and missed property rolls
35 for the current year.

36 SECTION 11. That Section 63-3638, Idaho Code, be, and the same is hereby
37 amended to read as follows:

38 63-3638. SALES TAX -- DISTRIBUTION. All moneys collected under this
39 chapter, except as may otherwise be required in sections 63-3203 and
40 63-3709, Idaho Code, shall be distributed by the state tax commission as
41 follows:

42 (1) An amount of money shall be distributed to the state refund account
43 sufficient to pay current refund claims. All refunds authorized under this
44 chapter by the state tax commission shall be paid through the state refund
45 account, and those moneys are continuously appropriated.

46 (2) Five million dollars (\$5,000,000) per year is continuously appro-
47 priated and shall be distributed to the permanent building fund, provided by
48 section 57-1108, Idaho Code.

1 (3) Four million eight hundred thousand dollars (\$4,800,000) per year
2 is continuously appropriated and shall be distributed to the water pollution
3 control account established by section 39-3628, Idaho Code.

4 (4) An amount equal to the sum required to be certified by the chair-
5 man of the Idaho housing and finance association to the state tax commis-
6 sion pursuant to section 67-6211, Idaho Code, in each year is continuously
7 appropriated and shall be paid to any capital reserve fund, established by
8 the Idaho housing and finance association pursuant to section 67-6211, Idaho
9 Code. Such amounts, if any, as may be appropriated hereunder to the capital
10 reserve fund of the Idaho housing and finance association shall be repaid for
11 distribution under the provisions of this section, subject to the provisions
12 of section 67-6215, Idaho Code, by the Idaho housing and finance associa-
13 tion, as soon as possible, from any moneys available therefor and in excess
14 of the amounts which the association determines will keep it self-support-
15 ing.

16 (5) An amount equal to the sum required by the provisions of sections
17 63-709 and 63-717, Idaho Code, after allowance for the amount appropriated
18 by section 63-718(3), Idaho Code, is continuously appropriated and shall be
19 paid as provided by sections 63-709 and 63-717, Idaho Code.

20 (6) An amount required by the provisions of chapter 53, title 33, Idaho
21 Code.

22 (7) An amount required by the provisions of chapter 87, title 67, Idaho
23 Code.

24 (8) For fiscal year 2011, and each fiscal year thereafter, four million
25 one hundred thousand dollars (\$4,100,000), of which two million two hundred
26 thousand dollars (\$2,200,000) shall be distributed to each of the forty-four
27 (44) counties in equal amounts, and one million nine hundred thousand dol-
28 lars (\$1,900,000) of which shall be distributed to the forty-four (44) coun-
29 ties in the proportion that the population of the county bears to the popu-
30 lation of the state. For fiscal year 2012, and for each fiscal year there-
31 after, the amount distributed pursuant to this subsection ~~(8)~~, shall be ad-
32 justed annually by the state tax commission in accordance with the consumer
33 price index for all urban consumers (CPI-U) as published by the U.S. depart-
34 ment of labor, bureau of labor statistics, but in no fiscal year shall the
35 total amount allocated for counties under this subsection ~~(8)~~, be less than
36 four million one hundred thousand dollars (\$4,100,000). Each county shall
37 establish a special election fund to which shall be deposited all revenues
38 received from the distribution pursuant to this subsection ~~(8)~~. All such
39 revenues shall be used exclusively to defray the costs associated with con-
40 ducting elections as required of county clerks by the provisions of section
41 34-1401, Idaho Code.

42 (9) One dollar (\$1.00) on each application for certificate of title
43 or initial application for registration of a motor vehicle, snowmobile,
44 all-terrain vehicle or other vehicle processed by the county assessor or the
45 Idaho transportation department excepting those applications in which any
46 sales or use taxes due have been previously collected by a retailer, shall be
47 a fee for the services of the assessor of the county or the Idaho transporta-
48 tion department in collecting such taxes, and shall be paid into the current
49 expense fund of the county or state highway account established in section
50 40-702, Idaho Code.

1 (10) Eleven and five-tenths percent (11.5%) is continuously appropri-
2 ated and shall be distributed to the revenue sharing account which is created
3 in the state treasury, and the moneys in the revenue sharing account will be
4 paid in installments each calendar quarter by the state tax commission as
5 follows:

6 (a) Twenty-eight and two-tenths percent (28.2%) shall be paid to the
7 various cities as follows:

8 (i) Fifty percent (50%) of such amount shall be paid to the vari-
9 ous cities, and each city shall be entitled to an amount in the pro-
10 portion that the population of that city bears to the population of
11 all cities within the state; and

12 (ii) Fifty percent (50%) of such amount shall be paid to the vari-
13 ous cities, and each city shall be entitled to an amount in the pro-
14 portion that the preceding year's market value for assessment pur-
15 poses for that city bears to the preceding year's market value for
16 assessment purposes for all cities within the state.

17 (b) Twenty-eight and two-tenths percent (28.2%) shall be paid to the
18 various counties as follows:

19 (i) One million three hundred twenty thousand dollars
20 (\$1,320,000) annually shall be distributed one forty-fourth
21 (1/44) to each of the various counties; and

22 (ii) The balance of such amount shall be paid to the various coun-
23 ties, and each county shall be entitled to an amount in the propor-
24 tion that the population of that county bears to the population of
25 the state;

26 (c) Thirty-five and nine-tenths percent (35.9%) of the amount appro-
27 priated in this subsection ~~(10)~~ shall be paid to the several counties
28 for distribution to the cities and counties as follows:

29 (i) Each city and county which received a payment under the provi-
30 sions of section 63-3638 (e), Idaho Code, during the fourth quarter
31 of calendar year 1999, shall be entitled to a like amount during
32 succeeding calendar quarters.

33 (ii) If the dollar amount of money available under this subsection
34 (10) (c) in any quarter does not equal the amount paid in the fourth
35 quarter of calendar year 1999, each city's and county's payment
36 shall be reduced proportionately.

37 (iii) If the dollar amount of money available under this subsec-
38 tion (10) (c) in any quarter exceeds the amount paid in the fourth
39 quarter of calendar year 1999, each city and county shall be en-
40 titled to a proportionately increased payment, but such increase
41 shall not exceed one hundred five percent (105%) of the total pay-
42 ment made in the fourth quarter of calendar year 1999.

43 (iv) If the dollar amount of money available under this subsection
44 (10) (c) in any quarter exceeds one hundred five percent (105%) of
45 the total payment made in the fourth quarter of calendar year 1999,
46 any amount over and above such one hundred five percent (105%)
47 shall be paid fifty percent (50%) to the various cities in the pro-
48 portion that the population of the city bears to the population of
49 all cities within the state, and fifty percent (50%) to the various

1 counties in the proportion that the population of a county bears to
2 the population of the state; and

3 (d) Seven and seven-tenths percent (7.7%) of the amount appropriated in
4 this subsection ~~(10)~~ shall be paid to the several counties for distribu-
5 tion to special purpose taxing districts as follows:

6 (i) Each such district which received a payment under the provi-
7 sions of section 63-3638 (e), Idaho Code, during the fourth quarter
8 of calendar year 1999, shall be entitled to a like amount during
9 succeeding calendar quarters.

10 (ii) If the dollar amount of money available under this subsec-
11 tion (10) (d) in any quarter does not equal the amount paid in the
12 fourth quarter of calendar year 1999, each special purpose taxing
13 district's payment shall be reduced proportionately.

14 (iii) If the dollar amount of money available under this subsec-
15 tion (10) (d) in any quarter exceeds the amount distributed under
16 paragraph (i) of this subsection (10) (d), each special purpose
17 taxing district shall be entitled to a share of the excess based on
18 the proportion each such district's current property tax budget
19 bears to the sum of the current property tax budgets of all such
20 districts in the state. The state tax commission shall calculate
21 district current property tax budgets to include any unrecovered
22 foregone amounts as determined under section 63-802(1) (e), Idaho
23 Code. When a special purpose taxing district is situated in more
24 than one (1) county, the state tax commission shall determine the
25 portion attributable to the special purpose taxing district from
26 each county in which it is situated.

27 (iv) If special purpose taxing districts are consolidated, the
28 resulting district is entitled to a base amount equal to the sum of
29 the base amounts which were received in the last calendar quarter
30 by each district prior to the consolidation.

31 (v) If a special purpose taxing district is dissolved or disin-
32 corporated, the state tax commission shall continuously distrib-
33 ute to the board of county commissioners an amount equal to the
34 last quarter's distribution prior to dissolution or disincorpora-
35 tion. The board of county commissioners shall determine any re-
36 distribution of moneys so received.

37 (vi) Taxing districts formed after January 1, 2001, are not enti-
38 tled to a payment under the provisions of this subsection (10) (d).

39 (vii) For purposes of this subsection (10) (d), a special purpose
40 taxing district is any taxing district which is not a city, a
41 county or a school district.

42 (11) Amounts calculated in accordance with section 2, chapter 356, laws
43 of 2001, for annual distribution to counties and other taxing districts be-
44 ginning in October 2001 for replacement of property tax on farm machinery and
45 equipment exempted pursuant to section 63-602EE, Idaho Code. For nonschool
46 districts, the state tax commission shall distribute one-fourth (1/4) of
47 this amount certified quarterly to each county. For school districts, the
48 state tax commission shall distribute one-fourth (1/4) of the amount certi-
49 fied quarterly to each school district. For nonschool districts, the county
50 auditor shall distribute to each district within thirty (30) calendar days

1 from receipt of moneys from the state tax commission. Moneys received by
2 each taxing district for replacement shall be utilized in the same manner
3 and in the same proportions as revenues from property taxation. The moneys
4 remitted to the county treasurer for replacement of property exempt from
5 taxation pursuant to section 63-602EE, Idaho Code, may be considered by the
6 counties and other taxing districts and budgeted at the same time, in the
7 same manner and in the same year as revenues from taxation on personal prop-
8 erty which these moneys replace. If taxing districts are consolidated, the
9 resulting district is entitled to an amount equal to the sum of the amounts
10 which were received in the last calendar quarter by each district pursuant
11 to this subsection prior to the consolidation. If a taxing district is
12 dissolved or disincorporated, the state tax commission shall continuously
13 distribute to the board of county commissioners an amount equal to the
14 last quarter's distribution prior to dissolution or disincorporation. The
15 board of county commissioners shall determine any redistribution of moneys
16 so received. If a taxing district annexes territory, the distribution of
17 moneys received pursuant to this subsection shall be unaffected. Taxing
18 districts formed after January 1, 2001, are not entitled to a payment under
19 the provisions of this subsection. School districts shall receive an amount
20 determined by multiplying the sum of the year 2000 school district levy mi-
21 nus .004 times the market value on December 31, 2000, in the district of the
22 property exempt from taxation pursuant to section 63-602EE, Idaho Code, pro-
23 vided that the result of these calculations shall not be less than zero (0).
24 The result of these school district calculations shall be further increased
25 by six percent (6%). For purposes of the limitation provided by section
26 63-802, Idaho Code, moneys received pursuant to this section as property tax
27 replacement for property exempt from taxation pursuant to section 63-602EE,
28 Idaho Code, shall be treated as property tax revenues.

29 (12) Amounts necessary to pay refunds as provided in section 63-3641,
30 Idaho Code, to a developer of a retail complex shall be remitted to the demon-
31 stration pilot project fund created in section 63-3641, Idaho Code.

32 (13) Amounts calculated in accordance with ~~subsection (4) of section~~
33 ~~63-602KK~~ section 63-802B, Idaho Code, for annual distribution to counties
34 and other taxing districts for replacement of property tax on personal prop-
35 erty ~~tax exemptions~~ pursuant to ~~subsection (1) of sections 63-602KK, and~~
36 63-412, Idaho Code, which amounts are continuously appropriated unless the
37 legislature enacts a different appropriation for a particular fiscal year.

38 (14) Any moneys remaining over and above those necessary to meet and
39 reserve for payments under other subsections of this section shall be dis-
40 tributed to the general fund.

41 SECTION 12. An emergency existing therefor, which emergency is hereby
42 declared to exist, Sections 1, 2, 3, 4, 5, 6, 8, 9 and 11 of this act shall be
43 in full force and effect on and after passage and approval, and retroactively
44 to January 1, 2013. Sections 7 and 10 of this act shall be in full force and
45 effect on and after July 1, 2017.