

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 315

BY WAYS AND MEANS COMMITTEE

AN ACT

1 RELATING TO THE TAXATION OF PERSONAL PROPERTY; AMENDING SECTION 63-602KK,  
2 IDAHO CODE, TO ESTABLISH AND REVISE PROVISIONS RELATING TO CERTAIN  
3 PERSONAL PROPERTY BEING EXEMPT FROM TAXATION, TO REMOVE THE TRIGGER,  
4 TO PROVIDE ADDITIONAL PROCEDURES AND DEFINITIONS AND TO MAKE TECHNICAL  
5 CORRECTIONS; AMENDING SECTION 63-803, IDAHO CODE, TO PROVIDE A CORRECT  
6 CODE CITATION AND TO MAKE A TECHNICAL CORRECTION; AMENDING SECTION  
7 63-803, IDAHO CODE, AS ADDED BY SECTION 13, CHAPTER 339, LAWS OF 2012,  
8 TO PROVIDE A CORRECT CODE CITATION AND TO MAKE A TECHNICAL CORRECTION;  
9 AMENDING SECTION 63-3638, IDAHO CODE, TO PROVIDE A CORRECT CODE REFER-  
10 ENCE, TO CLARIFY THAT MONEYS REMITTED TO TAXING DISTRICTS FOR PERSONAL  
11 PROPERTY TAX REPLACEMENT SHALL BE TREATED AS PROPERTY TAX REVENUES  
12 FOR CERTAIN STATUTES AND TO MAKE TECHNICAL CORRECTIONS; DECLARING AN  
13 EMERGENCY, PROVIDING RETROACTIVE APPLICATION AND PROVIDING EFFECTIVE  
14 DATES.  
15

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

17 SECTION 1. That Section 63-602KK, Idaho Code, be, and the same is hereby  
18 amended to read as follows:

19 63-602KK. PROPERTY EXEMPT FROM TAXATION -- CERTAIN PERSONAL PROPERTY.

20 (1) (a) An item of taxable personal property purchased on or after Jan-  
21 uary 1, 2013, shall be exempt from property taxation if the item of tax-  
22 able personal property has an acquisition price of three thousand dol-  
23 lars (\$3,000) or less.

24 (b) For purposes of this section, the term "acquisition cost" means all  
25 costs required to put an item of taxable personal property into service  
26 and includes:

27 (i) The purchase price of a new or used item;

28 (ii) The cost of freight and shipping;

29 (iii) The cost of installation, engineering, erection or assem-  
30 bly; and

31 (iv) Sales and use taxes.

32 (c) For purposes of this subsection, an "item of taxable personal prop-  
33 erty" means equipment, machinery, furniture or other personal property  
34 that is functioning at its highest and best use for the purpose it was  
35 designed and constructed and is generally capable of performing that  
36 function without being combined with other items of personal property.  
37 An item of taxable personal property is not an individual component part  
38 of a piece of equipment, machinery, furniture or other personal prop-  
39 erty as a whole. An item of taxable personal property does not include  
40 an improvement to real property, a part that will become an improvement,  
41 or anything defined as a fixture.

1       (2) On and after January 1, 2009~~13~~, ~~subject to subsection (2) of this~~  
 2 ~~section~~, each taxpayer's personal property, located in the county, which is  
 3 not otherwise exempt and ~~which is not operating property~~, shall be exempt  
 4 to the extent of one hundred thousand dollars (\$100,000). For the purposes  
 5 of this section, a taxpayer includes two (2) or more individuals using the  
 6 property in a common enterprise or a related group of two (2) or more organi-  
 7 zations when the individuals or organizations are within a relationship de-  
 8 scribed in section 267 of the Internal Revenue Code, as defined in section  
 9 63-3004, Idaho Code.

10       ~~(2) This section shall not take effect on January 1, 2009, if on Septem-~~  
 11 ~~ber 1, 2008, the state controller certifies that the receipts to the general~~  
 12 ~~fund for the fiscal year ending June 30, 2008, have not exceeded receipts to~~  
 13 ~~the general fund from the previous fiscal year by five percent (5%) or more.~~  
 14 ~~This section shall take effect on January 1 of the year following the first~~  
 15 ~~year when the state controller certifies to the state tax commission that re-~~  
 16 ~~ceipts to the general fund for the fiscal year just ended have exceeded the~~  
 17 ~~receipts to the general fund during the fiscal year 2008 by five percent (5%)~~  
 18 ~~or more.~~

19       (3) (a) No later than the third Monday of November ~~of each year~~ 2013,  
 20 the county clerk of each county shall certify to the state tax commis-  
 21 sion the amount of exemption from property taxes under subsection ~~(12)~~  
 22 of this section, in that county for that year. The certification shall  
 23 identify the property receiving tax reductions, the value of the prop-  
 24 erty, the property's location, the amount of the tax levy applicable to  
 25 personal property in the location, and the tax before and after the ex-  
 26 emption allowed in subsection ~~(12)~~ of this section. The certification  
 27 shall be in the form prescribed by the state tax commission and shall in-  
 28 clude such additional information as the commission may require by rule  
 29 as needed to implement the purpose of this section. The certification  
 30 shall be reviewed and, if necessary, corrected by the state tax commis-  
 31 sion.

32       (b) For the year beginning January 1, 2014, and every year thereafter,  
 33 the amount of annual replacement of property tax on personal property  
 34 exempted pursuant to subsection (2) of this section shall be the amount  
 35 approved by the state tax commission pursuant to paragraph (a) of this  
 36 subsection.

37       (4) (a) Subject to the limitations of this section, the state tax  
 38 commission shall reimburse from the amount appropriated for personal  
 39 property tax replacement in section 63-3638, Idaho Code, the county  
 40 treasurer of each county for the reduction on the certification pro-  
 41 vided in subsection (3) of this section. The county treasurer shall  
 42 reimburse from the amount received to each taxing district within the  
 43 county an amount in proportion to the amount of reduction shown on the  
 44 certification in subsection (3) of this section as corrected. The  
 45 amount that would otherwise be attributable to tax revenues derived  
 46 from tax levies on personal property exempted by this section within  
 47 an existing revenue allocation area as defined in section 50-2903(15),  
 48 Idaho Code, shall be paid directly by the county treasurer to such pub-  
 49 lic body or agency entitled thereto, equal to the amounts that would  
 50 have been distributed in accordance with the formula for such distribu-

1 tion set forth in section 50-2908, Idaho Code. Taxing districts created  
2 on or after January 1, 2013, shall not be eligible for the reimbursement  
3 provided for in this paragraph.

4 (b) The state tax commission shall pay one-half (1/2) of the reimburse-  
5 ment provided in this section no later than December 20 of each year, and  
6 the second one-half (1/2) shall be paid by no later than June 20 of the  
7 following year. The money received by the county tax collector under  
8 the provisions of this section may be considered by counties and other  
9 taxing districts and budgeted against at the same time, and in the same  
10 manner, and in the same year as revenues from taxation. The total amount  
11 paid to the county treasurers shall not exceed the amount certified to  
12 the state tax commission under subsection (3) of this section.

13 (c) For purposes of the limitation provided by section 63-802, Idaho  
14 Code, moneys received from distributions pursuant to section 63-3638,  
15 Idaho Code, as property tax replacement for the taxable value of prop-  
16 erty exempt from taxation pursuant to this section shall be treated as  
17 property tax revenues.

18 (5) (a) Nothing contained in this section shall affect the taxation of  
19 forest lands or forest products pursuant to chapter 17, title 63, Idaho  
20 Code, or the taxation of the net profits of mines pursuant to chapter 28,  
21 title 63, Idaho Code.

22 (b) The exemption from personal property tax provided for in subsection  
23 (2) of this section shall not apply to motor vehicles, recreational ve-  
24 hicles, aircraft and boats, which are not registered with the state of  
25 Idaho and for which required registration fees have not been paid.

26 (6) (a) The application for the exemption provided for in subsection  
27 (2) of this section shall be in the form prescribed by the state tax com-  
28 mission and shall include such information as the state tax commission  
29 may require by rule as needed to implement the purpose of this section  
30 including, but not limited to, a list of each item of personal property,  
31 the purchase date of each item of personal property, the unit cost of  
32 each item of personal property, if more than the exemption allowed in  
33 subsection (1) of this section, and the total cost of the items of per-  
34 sonal property.

35 (b) The application for this exemption, if the county is capable of so  
36 providing, may be transmitted by the county assessor electronically,  
37 as that term is defined in section 63-115, Idaho Code, when requested  
38 by the taxpayer, or mailed by the county assessor to the taxpayer, or  
39 his agent or representative at the taxpayer's last known post office  
40 address, no later than March 1 of each year. The transmission or mail-  
41 ing of the application shall also include the taxpayer's application  
42 for the exemption allowed by this section for the last year in which the  
43 taxpayer filed an application.

44 (c) A taxpayer need only make application for the exemption in this sec-  
45 tion once every five (5) years, as long as all of the following condi-  
46 tions are met:

47 (a) The taxpayer has received the exemption during the previous  
48 year as a result of him making a valid application as defined in  
49 this section.

1           (~~bii~~) The amount of the exemption allowed by this section is more  
2 than the ~~maximum~~ taxable value of personal property owned by the  
3 taxpayer.

4           (~~eiii~~) The taxpayer has not made purchases of personal property,  
5 excluding items of taxable personal property exempted pursuant  
6 to subsection (1) of this section, that would cause the ~~aggregate~~  
7 taxable value of the personal property owned by the taxpayer to  
8 exceed the maximum amount allowed as an exemption by this section.

9           (~~div~~) ~~For every year the taxpayer claims the exemption, he shall~~  
10 ~~sign an affidavit on a form provided by the state tax commission,~~  
11 ~~reciting the averments set forth in this section. A fraudulent~~  
12 ~~claim set in an affidavit Knowingly failing to report changes in~~  
13 ~~the taxable value of personal property that exceed the amount of~~  
14 ~~the exemption allowed pursuant to subsection (2) of this section~~  
15 shall subject the taxpayer to a fine not in excess of ten thousand  
16 dollars (\$10,000) in addition to other penalties set forth in this  
17 chapter.

18           (7) Recovery of property tax exemptions allowed by this section but im-  
19 properly claimed per affidavit:

20           (a) Upon discovery of evidence, facts or circumstances indicating any  
21 exemption allowed by this section was improperly claimed, the county  
22 assessor shall decide whether the exemption claimed should have been  
23 allowed, and if not, notify the board of county commissioners, at which  
24 time the board may waive a recovery of the property tax and notify such  
25 taxpayer in writing.

26           (b) The assessment and collection of the recovery of property tax must  
27 begin within the seven (7) year period beginning on the date the assess-  
28 ment notice reflecting the improperly claimed exemption was required to  
29 be mailed to the taxpayer.

30           (c) The taxpayer may appeal to the board of tax appeals the decision by  
31 the board of county commissioners to assess the recovery of property tax  
32 within thirty (30) days of the date the county assessor sent the notice  
33 to the taxpayer pursuant to this section.

34           (d) For purposes of calculating the tax, the amount of the recovered  
35 property tax shall be for each year the exemption allowed by this sec-  
36 tion was improperly claimed or approved, up to a maximum of seven (7)  
37 years. The amount of the recovery of property tax shall be calculated  
38 using the product of the amount of exempted value for each year multi-  
39 plied by the levy for that year plus costs, late charges and interest for  
40 each year at the rates equal to those provided for delinquent property  
41 taxes during that year. In cases of fraud, the fine set forth in subsec-  
42 tion (6) (~~dc~~) (iv) of this section shall be assessed for each annual affi-  
43 davit filed.

44           (e) Any recovery of property tax shall be due and payable no later than  
45 the date provided for property taxes in section 63-903, Idaho Code, and  
46 if not timely paid, late charges and interest, beginning the first day  
47 of January in the year following the year the county assessor sent the  
48 notice to the taxpayer pursuant to this section, shall be calculated at  
49 the current rate provided for property taxes.

1 (f) Recovered property taxes shall be billed, collected and dis-  
2 tributed in the same manner as property taxes, except each taxing dis-  
3 trict or unit shall be notified of the amount of any recovered property  
4 taxes included in any distribution.

5 (g) Thirty (30) days after the taxpayer is notified, as provided in  
6 subsection (7) (a) of this section, the assessor shall record a notice  
7 of intent to attach a lien. Upon the payment in full of such recovered  
8 property taxes prior to the attachment of the lien as provided in sub-  
9 section (7) (h) of this section, or upon the successful appeal by the  
10 taxpayer, the county assessor shall record a rescission of the intent to  
11 attach a lien within seven (7) business days of receiving such payment  
12 or within seven (7) business days of the county commissioners' decision  
13 granting the appeal.

14 (h) Any unpaid recovered property taxes shall become a lien upon the  
15 taxpayer's personal property in the same manner as provided for prop-  
16 erty taxes in section 63-206, Idaho Code, except such lien shall attach  
17 as of the first day of January in the year following the year the county  
18 treasurer sent the notice to the taxpayer pursuant to this section.

19 (i) For purposes of the limitation provided by section 63-802, Idaho  
20 Code, moneys received pursuant to this subsection as recovery of prop-  
21 erty tax shall be treated as property tax revenue.

22 SECTION 2. That Section 63-803, Idaho Code, be, and the same is hereby  
23 amended to read as follows:

24 63-803. CERTIFICATION OF BUDGETS IN DOLLARS. (1) Whenever any taxing  
25 district is required by law to certify to any county treasurer, county audi-  
26 tor, county assessor, county commissioners or to any other county officer,  
27 any property tax levy, upon property located within said district, such cer-  
28 tification shall, notwithstanding any other provision of the law applicable  
29 to any such district, be made at the time and in the manner hereinafter pro-  
30 vided.

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

36 (3) Using the taxable value of the district, the council, trustees,  
37 board or other governing body of any taxing district shall certify the total  
38 amount required from a property tax upon property within the district to  
39 raise the amount of money fixed by their budget as previously prepared or  
40 approved. The amount of money so determined shall be certified in dollars  
41 to the appropriate county commissioners. Any taxing unit, except regional  
42 airport authorities, located in more than one (1) county shall divide its  
43 dollar budget for certification to the separate counties by multiplying the  
44 amount of such budget by a fraction, the numerator of which shall be the total  
45 taxable value of all property in such taxing unit within the county to which  
46 such certification is to be made, and the denominator of which shall be the  
47 total taxable value of property in such taxing unit in all such counties.  
48 Budget certification to the participating counties of regional airport  
49 authorities shall be made in the manner prescribed in section 21-807(10),

1 Idaho Code. Taxable value shall be certified by the county auditor of each  
2 affected county to such taxing unit and such certification shall be used in  
3 this formula. Except as provided in section 33-805, Idaho Code, relating to  
4 school emergency fund levies, the certification to the county commissioners  
5 required in this section shall be made not later than the Thursday prior  
6 to the second Monday in September, unless, upon application therefor, the  
7 county commissioners grant an extension of not more than seven (7) working  
8 days. After receipt of this certification, the county commissioners shall  
9 make a tax levy as a percent of taxable value of all property in the taxing  
10 district, which, when applied to the tax rolls, will meet the budget require-  
11 ments certified by such taxing districts.

12 (4) Except as provided in subsection (1)(a) through (f) of section  
13 50-2908, Idaho Code, for the purpose of this section, "taxable value" shall  
14 mean the portion of the equalized assessed value, less any exemptions,  
15 except the exemption for personal property in section 63-602KK(2), Idaho  
16 Code, and the value that exceeds the value of the base assessment roll for  
17 the portion of any taxing district within a revenue allocation area of an  
18 urban renewal district, located within each taxing district which certifies  
19 a budget to be raised from a property tax levy. When the county auditor is  
20 notified of revenues sufficient to cover expenses as provided in section  
21 50-2903(5), Idaho Code, taxable value shall also include the value that  
22 exceeds the value of the base assessment roll for the portion of any taxing  
23 district within a revenue allocation area. For each taxing district, tax-  
24 able value shall include the value from the property and operating property  
25 rolls for the current year and subsequent and missed property rolls for the  
26 prior year or the best estimate of the subsequent and missed property rolls  
27 for the current year.

28 SECTION 3. That Section 63-803, Idaho Code, as added by Section 13,  
29 Chapter 339, Laws of 2012, be, and the same is hereby amended to read as fol-  
30 lows:

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

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

43 (3) Using the taxable value of the district, the council, trustees,  
44 board or other governing body of any taxing district shall certify the total  
45 amount required from a property tax upon property within the district to  
46 raise the amount of money fixed by their budget as previously prepared or  
47 approved. The amount of money so determined shall be certified in dollars  
48 to the appropriate county commissioners. Any taxing unit, except regional  
49 airport authorities, located in more than one (1) county shall divide its

1 dollar budget for certification to the separate counties by multiplying the  
2 amount of such budget by a fraction, the numerator of which shall be the total  
3 taxable value of all property in such taxing unit within the county to which  
4 such certification is to be made, and the denominator of which shall be the  
5 total taxable value of property in such taxing unit in all such counties.  
6 Budget certification to the participating counties of regional airport  
7 authorities shall be made in the manner prescribed in section 21-807(10),  
8 Idaho Code. Taxable value shall be certified by the county auditor of each  
9 affected county to such taxing unit and such certification shall be used in  
10 this formula. Except as provided in section 33-805, Idaho Code, relating to  
11 school emergency fund levies, the certification to the county commissioners  
12 required in this section shall be made not later than the Thursday prior  
13 to the second Monday in September, unless, upon application therefor, the  
14 county commissioners grant an extension of not more than seven (7) working  
15 days. After receipt of this certification, the county commissioners shall  
16 make a tax levy as a percent of taxable value of all property in the taxing  
17 district, which, when applied to the tax rolls, will meet the budget require-  
18 ments certified by such taxing districts.

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,  
22 except the exemption for personal property in section 63-602KK(2), Idaho  
23 Code, and the value that exceeds the value of the base assessment roll for  
24 the portion of any taxing district within a revenue allocation area of an  
25 urban renewal district, located within each taxing district which certifies  
26 a budget to be raised from a property tax levy. When the county auditor is  
27 notified of revenues sufficient to cover expenses as provided in section  
28 50-2903(5), Idaho Code, taxable value shall also include the value that  
29 exceeds the value of the base assessment roll for the portion of any taxing  
30 district within a revenue allocation area. For each taxing district, tax-  
31 able value shall include the value from the property and operating property  
32 rolls for the current year and subsequent and missed property rolls for the  
33 prior year or the best estimate of the subsequent and missed property rolls  
34 for the current year.

35 SECTION 4. That Section 63-3638, Idaho Code, be, and the same is hereby  
36 amended to read as follows:

37 63-3638. SALES TAX -- DISTRIBUTION. All moneys collected under this  
38 chapter, except as may otherwise be required in sections 63-3203 and  
39 63-3709, Idaho Code, shall be distributed by the state tax commission as  
40 follows:

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

45 (2) Five million dollars (\$5,000,000) per year is continuously appro-  
46 priated and shall be distributed to the permanent building fund, provided by  
47 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, Idaho Code, for annual distribution to counties and other taxing  
34 districts for replacement of property tax on personal property tax exemp-  
35 tions pursuant to subsection (4) of section 63-602KK, Idaho Code, which  
36 amounts are continuously appropriated unless the legislature enacts a dif-  
37 ferent appropriation for a particular fiscal year. For purposes of the  
38 limitation provided by section 63-802, Idaho Code, moneys received pursuant  
39 to this section as property tax replacement for property exempt from taxa-  
40 tion pursuant to section 63-602KK, Idaho Code, shall be treated as property  
41 tax revenues.

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

45 SECTION 5. An emergency existing therefor, which emergency is hereby  
46 declared to exist, Sections 1, 2 and 4 of this act shall be in full force and  
47 effect on and after passage and approval, and retroactively to January 1,  
48 2013. Section 3 of this act shall be in full force and effect on and after  
49 July 1, 2017.