

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 339

BY TRANSPORTATION AND DEFENSE COMMITTEE

AN ACT

1 RELATING TO TRANSPORTATION AND CERTAIN TAXES; TO PROVIDE A SHORT TITLE;  
2 AMENDING SECTION 63-3613, IDAHO CODE, TO REVISE PROVISIONS RELATING TO  
3 THE TERM "SALES PRICE"; AMENDING SECTION 63-3638, IDAHO CODE, TO REVISE  
4 DISTRIBUTIONS FROM THE SALES TAX AND TO MAKE TECHNICAL CORRECTIONS;  
5 AMENDING TITLE 63, IDAHO CODE, BY THE ADDITION OF A NEW CHAPTER 46, TO  
6 ESTABLISH THE MOTOR VEHICLE LEASE AND RENTAL TAX, TO PROVIDE DEFINI-  
7 TIONS, TO PROVIDE FOR A MOTOR VEHICLE LEASE AND RENTAL TAX, TO ESTABLISH  
8 PROVISIONS RELATING TO REGISTRATION, RETURNS AND PAYMENTS, TO PROVIDE  
9 THAT CERTAIN MONEYS SHALL BE STATE MONEYS, TO ESTABLISH PROVISIONS  
10 RELATING TO THE ADMINISTRATION OF PROVISIONS OF LAW, TO ESTABLISH PRO-  
11 VISIONS RELATING TO REFUNDS, LIMITATIONS AND INTEREST, TO ESTABLISH  
12 PROVISIONS RELATING TO DEFICIENCY DETERMINATIONS, TO ESTABLISH PROVI-  
13 SIONS RELATING TO INTEREST ON DEFICIENCIES, A PERIOD OF LIMITATION UPON  
14 ASSESSMENT AND COLLECTION, ADDITIONS AND PENALTIES, AUTHORITY TO ENTER  
15 AGREEMENTS AND COLLECTION AND ENFORCEMENT; AND PROVIDING AN EFFECTIVE  
16 DATE.  
17

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

19 SECTION 1. SHORT TITLE. This act shall be known and may be cited as the  
20 "Safe Roads Act of 2013."

21 SECTION 2. That Section 63-3613, Idaho Code, be, and the same is hereby  
22 amended to read as follows:

23 63-3613. SALES PRICE. (a) The term "sales price" means the total  
24 amount for which tangible personal property, including services agreed to be  
25 rendered as a part of the sale, is sold, rented or leased, valued in money,  
26 whether paid in money or otherwise, without any deduction on account of any  
27 of the following:

28 1. The cost of the property sold. However, in accordance with such  
29 rules as the state tax commission may prescribe, a deduction may be  
30 taken if the retailer has purchased property for some purpose other than  
31 resale or rental, has reimbursed his vendor for tax which the vendor is  
32 required to pay to the state or has paid the use tax with respect to the  
33 property, and has resold or rented the property prior to making any use  
34 of the property other than retention, demonstration or display while  
35 holding it for sale in the regular course of business. If such a deduc-  
36 tion is taken by the retailer, no refund or credit will be allowed to his  
37 vendor with respect to the sale of the property.

38 2. The cost of materials used, labor or service cost, losses, or any  
39 other expense.

40 3. The cost of transportation of the property prior to its sale.

1 4. The face value of manufacturer's discount coupons. A manufacturer's  
2 discount coupon is a price reduction coupon presented by a consumer to  
3 a retailer upon purchase of a manufacturer's product, the face value of  
4 which may only be reimbursed by the manufacturer to the retailer.

5 (b) The term "sales price" does not include any of the following:

6 1. Retailer discounts allowed and taken on sales, but only to the extent  
7 that such retailer discounts represent price adjustments as opposed to  
8 cash discounts offered only as an inducement for prompt payment.

9 2. Any sums allowed on merchandise accepted in payment of other mer-  
10 chandise, provided that this allowance shall not apply to the sale of a  
11 "new manufactured home" or a "modular building" as defined herein.

12 3. The amount charged for property returned by customers when the  
13 amount charged therefor is refunded either in cash or credit; but this  
14 exclusion shall not apply in any instance when the customer, in order  
15 to obtain the refund, is required to purchase other property at a price  
16 greater than the amount charged for the property that is returned.

17 4. The amount charged for labor or services rendered in installing or  
18 applying the property sold, provided that said amount is stated sepa-  
19 rately and such separate statement is not used as a means of avoiding  
20 imposition of this tax upon the actual sales price of the tangible per-  
21 sonal property; except that charges by a manufactured homes dealer for  
22 set up of a manufactured home shall be included in the "sales price" of  
23 such manufactured home.

24 5. The amount of any tax (not including, however, any manufacturers' or  
25 importers' excise tax) imposed by the United States upon or with respect  
26 to retail sales whether imposed upon the retailer or the consumer.

27 6. The amount charged for finance charges, carrying charges, service  
28 charges, time-price differential, or interest on deferred payment  
29 sales, provided such charges are not used as a means of avoiding impo-  
30 sition of this tax upon the actual sales price of the tangible personal  
31 property.

32 7. Delivery and handling charges for transportation of tangible per-  
33 sonal property to the consumer, provided that the transportation is  
34 stated separately and the separate statement is not used as a means of  
35 avoiding imposition of the tax upon the actual sales price of the tan-  
36 gible personal property; except that charges by a manufactured homes  
37 dealer for transportation of a manufactured home shall be included in  
38 the "sales price" of such manufactured home.

39 8. Manufacturers' rebates when used at the time of a retail sale as a  
40 down payment on or reduction to the retail sales price of a motor vehicle  
41 to which the rebate applies. A manufacturer's rebate is a cash payment  
42 made by a manufacturer to a consumer who has purchased or is purchasing  
43 the manufacturer's product from the retailer.

44 9. The amount of any fee imposed upon an outfitter as defined in section  
45 36-2102, Idaho Code, by a governmental entity pursuant to statute for  
46 the purpose of conducting outfitting activities on land or water sub-  
47 ject to the jurisdiction of the governmental entity, provided that the  
48 fee is stated separately and is presented as a use fee paid by the out-  
49 fitted public to be passed through to the governmental entity.

1 10. The amount of any discount or other price reduction on telecommuni-  
 2 cations equipment when offered as an inducement to the consumer to com-  
 3 mence or continue telecommunications service, or the amount of any com-  
 4 mission or other indirect compensation received by a retailer or seller  
 5 as a result of the consumer commencing or continuing telecommunications  
 6 service.

7 11. The amount of any motor vehicle lease and rental tax imposed pur-  
 8 suant to the provisions of chapter 46, title 63, Idaho Code.

9 (c) The sales price of a "new manufactured home" or a "modular building"  
 10 as defined in this act shall be limited to and include only fifty-five per-  
 11 cent (55%) of the sales price as otherwise defined herein.

12 (d) Taxes previously paid on amounts represented by accounts found to  
 13 be worthless may be credited upon a subsequent payment of the tax provided in  
 14 this chapter or, if no such tax is due, refunded. If such accounts are there-  
 15 after collected, a tax shall be paid upon the amount so collected.

16 (e) Tangible personal property when sold at retail for more than eleven  
 17 cents (\$.11) but less than one dollar and one cent (\$1.01) through a vend-  
 18 ing machine shall be deemed to have sold at a sales price equal to one hundred  
 19 seventeen percent (117%) of the price which is paid for such tangible per-  
 20 sonal property and/or its component parts including packaging by the owner  
 21 or operator of the vending machines.

22 SECTION 3. That Section 63-3638, Idaho Code, be, and the same is hereby  
 23 amended to read as follows:

24 63-3638. SALES TAX -- DISTRIBUTION. All moneys collected under this  
 25 chapter, except as may otherwise be required in sections 63-3203 and  
 26 63-3709, Idaho Code, shall be distributed by the state tax commission as  
 27 follows:

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

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

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

38 (4) An amount equal to the sum required to be certified by the chair-  
 39 man of the Idaho housing and finance association to the state tax commis-  
 40 sion pursuant to section 67-6211, Idaho Code, in each year is continuously  
 41 appropriated and shall be paid to any capital reserve fund, established by  
 42 the Idaho housing and finance association pursuant to section 67-6211, Idaho  
 43 Code. Such amounts, if any, as may be appropriated hereunder to the capital  
 44 reserve fund of the Idaho housing and finance association shall be repaid for  
 45 distribution under the provisions of this section, subject to the provisions  
 46 of section 67-6215, Idaho Code, by the Idaho housing and finance associa-  
 47 tion, as soon as possible, from any moneys available therefor and in excess  
 48 of the amounts which the association determines will keep it self-support-  
 49 ing.

1 (5) An amount equal to the sum required by the provisions of sections  
2 63-709 and 63-717, Idaho Code, after allowance for the amount appropriated  
3 by section 63-718(3), Idaho Code, is continuously appropriated and shall be  
4 paid as provided by sections 63-709 and 63-717, Idaho Code.

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

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

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

27 (9) One dollar (\$1.00) on each application for certificate of title  
28 or initial application for registration of a motor vehicle, snowmobile,  
29 all-terrain vehicle or other vehicle processed by the county assessor or the  
30 Idaho transportation department, excepting those applications in which any  
31 sales or use taxes due have been previously collected by a retailer, shall be  
32 a fee for the services of the assessor of the county or the Idaho transporta-  
33 tion department in collecting such taxes, ~~and~~ shall be paid into the current  
34 expense fund of the county or state highway account established in section  
35 40-702, Idaho Code.

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

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

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

47 (ii) Fifty percent (50%) of such amount shall be paid to the vari-  
48 ous cities, and each city shall be entitled to an amount in the pro-  
49 portion that the preceding year's market value for assessment pur-

1           poses for that city bears to the preceding year's market value for  
2           assessment purposes for all cities within the state.

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

5           (i)        One million three hundred twenty thousand dollars  
6           (\$1,320,000) annually shall be distributed one forty-fourth  
7           (1/44) to each of the various counties; and

8           (ii)       The balance of such amount shall be paid to the various coun-  
9           ties, and each county shall be entitled to an amount in the propor-  
10          tion that the population of that county bears to the population of  
11          the state;

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

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

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

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

29          (iv)       If the dollar amount of money available under this subsection  
30          (10) (c) in any quarter exceeds one hundred five percent (105%) of  
31          the total payment made in the fourth quarter of calendar year 1999,  
32          any amount over and above such one hundred five percent (105%)  
33          shall be paid fifty percent (50%) to the various cities in the pro-  
34          portion that the population of the city bears to the population of  
35          all cities within the state, and fifty percent (50%) to the various  
36          counties in the proportion that the population of a county bears to  
37          the population of the state; and

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

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

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

49          (iii)       If the dollar amount of money available under this subsec-  
50          tion (10) (d) in any quarter exceeds the amount distributed under

1 paragraph (i) of this subsection (10) (d), each special purpose  
2 taxing district shall be entitled to a share of the excess based on  
3 the proportion each such district's current property tax budget  
4 bears to the sum of the current property tax budgets of all such  
5 districts in the state. The state tax commission shall calculate  
6 district current property tax budgets to include any unrecovered  
7 foregone amounts as determined under section 63-802(1) (e), Idaho  
8 Code. When a special purpose taxing district is situated in more  
9 than one (1) county, the state tax commission shall determine the  
10 portion attributable to the special purpose taxing district from  
11 each county in which it is situated.

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

16 (v) If a special purpose taxing district is dissolved or disincorporated,  
17 the state tax commission shall continuously distribute to the board of county  
18 commissioners an amount equal to the last quarter's distribution prior to dissolution or disincorporation.  
19 The board of county commissioners shall determine any redistribution of moneys so received.  
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22 (vi) Taxing districts formed after January 1, 2001, are not entitled to a payment under the provisions of this subsection (10) (d).

23 (vii) For purposes of this subsection (10) (d), a special purpose  
24 taxing district is any taxing district which is not a city, a  
25 county or a school district.  
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27 (11) Amounts calculated in accordance with section 2, chapter 356, laws  
28 of 2001, for annual distribution to counties and other taxing districts beginning in October 2001 for replacement of property tax on farm machinery and equipment exempted pursuant to section 63-602EE, Idaho Code. For nonschool districts, the state tax commission shall distribute one-fourth (1/4) of this amount certified quarterly to each county. For school districts, the state tax commission shall distribute one-fourth (1/4) of the amount certified quarterly to each school district. For nonschool districts, the county auditor shall distribute to each district within thirty (30) calendar days from receipt of moneys from the state tax commission. Moneys received by each taxing district for replacement shall be utilized in the same manner and in the same proportions as revenues from property taxation. The moneys remitted to the county treasurer for replacement of property exempt from taxation pursuant to section 63-602EE, Idaho Code, may be considered by the counties and other taxing districts and budgeted at the same time, in the same manner and in the same year as revenues from taxation on personal property which these moneys replace. If taxing districts are consolidated, the resulting district is entitled to an amount equal to the sum of the amounts which were received in the last calendar quarter by each district pursuant to this subsection prior to the consolidation. If a taxing district is dissolved or disincorporated, the state tax commission shall continuously distribute to the board of county commissioners an amount equal to the last quarter's distribution prior to dissolution or disincorporation. The board of county commissioners shall determine any redistribution of moneys  
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1 so received. If a taxing district annexes territory, the distribution of  
 2 moneys received pursuant to this subsection shall be unaffected. Taxing  
 3 districts formed after January 1, 2001, are not entitled to a payment under  
 4 the provisions of this subsection. School districts shall receive an amount  
 5 determined by multiplying the sum of the year 2000 school district levy mi-  
 6 nus .004 times the market value on December 31, 2000, in the district of the  
 7 property exempt from taxation pursuant to section 63-602EE, Idaho Code, pro-  
 8 vided that the result of these calculations shall not be less than zero (0).  
 9 The result of these school district calculations shall be further increased  
 10 by six percent (6%). For purposes of the limitation provided by section  
 11 63-802, Idaho Code, moneys received pursuant to this section as property tax  
 12 replacement for property exempt from taxation pursuant to section 63-602EE,  
 13 Idaho Code, shall be treated as property tax revenues.

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

17 (13) Amounts calculated in accordance with subsection (4) of section  
 18 63-602KK, Idaho Code, for annual distribution to counties and other taxing  
 19 districts for replacement of property tax on personal property tax exemp-  
 20 tions pursuant to subsection (1) of section 63-602KK, Idaho Code, which  
 21 amounts are continuously appropriated unless the legislature enacts a dif-  
 22 ferent appropriation for a particular fiscal year.

23 (14) An amount equal to the sales tax revenue collected from retailers  
 24 who report sales pursuant to industry code 0553 (tires, batteries and acces-  
 25 sory dealers) shall be deposited to the highway distribution account estab-  
 26 lished in section 40-701, Idaho Code.

27 (15) Any moneys remaining over and above those necessary to meet and  
 28 reserve for payments under other subsections of this section shall be dis-  
 29 tributed to the general fund.

30 SECTION 4. That Title 63, Idaho Code, be, and the same is hereby amended  
 31 by the addition thereto of a NEW CHAPTER, to be known and designated as Chap-  
 32 ter 46, Title 63, Idaho Code, and to read as follows:

#### 33 CHAPTER 46

#### 34 MOTOR VEHICLE LEASE AND RENTAL TAX

#### 35 63-4601. DEFINITIONS.

36 (1) (a) "Daily lease or rental rate" means the following:

37 (i) Charges for time of use of the rental vehicle and mileage if  
 38 applicable;

39 (ii) Charges accepted by the renter for personal accident insur-  
 40 ance;

41 (iii) Charges for additional drivers or underage drivers;

42 (iv) Charges for child safety restraints, luggage racks, ski  
 43 racks or other accessory equipment for the rental vehicle;

44 (b) The term does not include:

45 (i) Rental vehicle price discounts allowed and taken;

46 (ii) Rental charges or other charges or fees imposed on the rental  
 47 vehicle owner or operator for the privilege of operating as a con-  
 48 cessionaire at an airport terminal building;

1 (iii) Motor fuel;

2 (iv) Intercity rental vehicle drop charges;

3 (v) Taxes imposed by federal, state or local governments.

4 (2) "Lease," "leasing" or "rental" means any transfer of possession or  
5 control of tangible personal property for a fixed or indeterminate term for  
6 consideration, including future options to extend the lease or rental.

7 (3) "Lessee" means any person who leases or rents a motor vehicle from a  
8 motor vehicle rental business for the person's own use and not for rental to  
9 others.

10 (4) "Motor vehicle rental business" means any business entity that is  
11 engaged in the business of leasing or renting motor vehicles within the state  
12 of Idaho without a driver to lessees.

13 (5) "Rental vehicle" means a motor vehicle that is used by a motor vehi-  
14 cle rental business for rental through an arrangement and for consideration  
15 for rental to others, without a driver provided by the motor vehicle rental  
16 business, for periods of not more than thirty (30) consecutive days.

17 63-4602. MOTOR VEHICLE LEASE AND RENTAL TAX. (1) There is hereby im-  
18 posed a tax, in a percentage equal to that provided for in section 63-3619,  
19 Idaho Code, of the daily lease or rental rate on all short-term leases and  
20 rentals of motor vehicles not exceeding thirty (30) days. The rental tax  
21 shall be charged on the total amount the motor vehicle rental business  
22 charges the lessee for the rental of a motor vehicle. This tax shall be  
23 collected on each motor vehicle rental regardless of whether the vehicle is  
24 licensed or registered in this state. Incidence of the tax shall occur upon  
25 taking delivery of the rented motor vehicle in the state of Idaho.

26 (2) The rental of a motor vehicle is exempt from the tax imposed in sub-  
27 section (1) of this section if:

28 (a) The motor vehicle is registered for a gross weight of eight thousand  
29 one (8,001) pounds or more;

30 (b) The motor vehicle is rented as a personal household goods moving  
31 van;

32 (c) The lease or rental of the motor vehicle is made for the purpose of  
33 temporarily replacing a person's motor vehicle that is being repaired  
34 pursuant to a repair agreement or an insurance agreement; or

35 (d) The motor vehicle is licensed and operated as a taxicab.

36 (3) The agencies and organizations that are exempted from paying sales  
37 and use tax under section 63-3622, Idaho Code, are exempt from the motor ve-  
38 hicle rental tax imposed under this chapter.

39 (4) The tax imposed by this section shall be collected by the motor  
40 vehicle rental business from the lessee as a part of the vehicle rental  
41 agreement. The motor vehicle rental agreement shall separately indicate the  
42 amount of the motor vehicle rental tax imposed on each motor vehicle rental.

43 63-4603. REGISTRATION -- RETURNS -- PAYMENTS. (1) Any business entity  
44 engaged in business as a motor vehicle rental business within the state of  
45 Idaho shall register with the state tax commission, in such manner as the  
46 state tax commission may prescribe, as a business required to collect the mo-  
47 tor vehicle rental tax. Registration will be in the same manner and form as  
48 is required for obtaining a seller's permit for state sales tax.



1 (2) The motor vehicle rental taxes imposed under section 63-4602, Idaho  
2 Code, are due and payable by the motor vehicle rental business to the state  
3 tax commission monthly on or before the twentieth day of the succeeding  
4 month.

5 (3) All moneys collected or received by the state tax commission from  
6 the taxes, penalties, interest and fees imposed in this chapter shall be de-  
7 posited with the state treasurer to be credited by him to the highway dis-  
8 tribution account as established in section 40-701, Idaho Code, after making  
9 deductions for:

10 (a) An amount of money equal to the actual cost of collecting, admin-  
11 istering and enforcing the motor vehicle rental tax requirements by the  
12 state tax commission, as determined by it shall be retained by the state  
13 tax commission. The amount retained by the state tax commission shall  
14 not exceed the amount authorized to be expended by appropriation by the  
15 legislature; and

16 (b) An amount of money to be distributed to the state refund account  
17 sufficient to pay current refund claims. All refunds authorized by  
18 the state tax commission to be paid shall be paid from the state refund  
19 account and those moneys are hereby continuously appropriated for that  
20 purpose.

21 (4) On or before the twentieth of each month, the motor vehicle rental  
22 business shall file a return with the state tax commission in such form as the  
23 state tax commission may prescribe.

24 (5) For the purposes of the motor vehicle rental tax, a return shall be  
25 filed by every motor vehicle rental business. Returns shall be signed by the  
26 person required to file the return or by his duly authorized agent.

27 (6) For the purposes of the motor vehicle rental tax, the return shall  
28 show the total daily lease or rental fees charged for motor vehicle rentals  
29 subject to tax under this chapter during the reporting period.

30 (7) For the purposes of the motor vehicle rental tax, the return shall  
31 show the total amount of the taxes for the period covered by the return and  
32 such other information as the state tax commission deems necessary for the  
33 proper administration of this chapter.

34 (8) The person required to file the return shall mail or deliver the re-  
35 turn together with a remittance of any tax due to the state tax commission for  
36 the reporting period.

37 (9) The state tax commission, if it deems it necessary in order to en-  
38 sure payment to or facilitate the collection by the state of taxes, may re-  
39 quire returns for periods other than monthly periods.

40 (10) For the purposes of the motor vehicle rental tax, gross amounts  
41 from motor vehicle rentals that may be subject to tax under this chapter  
42 shall be reported and the tax paid in accordance with such rules as the state  
43 tax commission may prescribe.

44 (11) The state tax commission, for good cause may extend, for not to ex-  
45 ceed one (1) month, the time for making any return or paying any amount re-  
46 quired to be paid under this chapter.

47 (12) Any person to whom an extension is granted and who pays the tax  
48 within the period for which the extension is granted shall pay, in addition  
49 to the tax, interest at the rate provided in section 63-3045, Idaho Code,

1 from the date on which the tax would have been due without the extension until  
2 the day of payment.

3 63-4604. TAXES AS STATE MONEY. All moneys collected by motor vehicle  
4 rental businesses in compliance with this chapter shall, immediately upon  
5 collection, be state money and every such business shall hold such money for  
6 the state of Idaho and for payment to the state tax commission in the man-  
7 ner and at the times required in this chapter. Such money shall not, for any  
8 purpose, be considered to be a part of the proceeds of the lease or rental to  
9 which the tax relates and shall not be subject to an encumbrance, security  
10 interest, execution or seizure on account of any debt owed by the retailer to  
11 any creditor other than the state tax commission.

12 63-4605. ADMINISTRATION. (1) The state tax commission shall enforce  
13 the provisions of this chapter and may prescribe, adopt and enforce rules re-  
14 lating to the administration and enforcement of this chapter. The state tax  
15 commission may prescribe the extent to which any rule shall be applied with-  
16 out retroactive effect.

17 (2) The state tax commission shall employ qualified auditors for exami-  
18 nation of taxpayers' records and books. The state tax commission shall also  
19 employ such accountants, investigators, regional supervisors, assistants,  
20 clerks and other personnel as are necessary for the efficient administration  
21 of this chapter, and may delegate authority to its representatives to con-  
22 duct hearings or perform any other duties imposed by this chapter.

23 (3) Every motor vehicle rental business shall keep such records, re-  
24 cepts, invoices and other pertinent papers as the state tax commission may  
25 require. Every such motor vehicle rental business or person who files the  
26 returns required under this chapter shall keep such records for not less than  
27 four (4) years from the making of such records unless the state tax commis-  
28 sion authorizes their destruction sooner in writing.

29 (4) The state tax commission, or any person authorized in writing by it,  
30 may examine the books, papers, records and equipment of any motor vehicle  
31 rental business and any person liable for the motor vehicle rental tax and  
32 may investigate the character of the business of the person in order to ver-  
33 ify the accuracy of any return made, or, if no return is made by the person, to  
34 ascertain and determine the amount required to be paid.

35 (5) Motor vehicle rental businesses whose pertinent records are kept  
36 outside of the state must bring the records to Idaho for examination by the  
37 state tax commission upon request of the latter, or, by agreement with the  
38 state tax commission, permit an auditor designated by the state tax com-  
39 mission to visit the place where the records are kept, and there audit such  
40 records.

41 63-4606. REFUNDS -- LIMITATIONS -- INTEREST. (1) Subject to the pro-  
42 visions of subsection (2) of this section, if any amount due under this chap-  
43 ter has been overpaid, the excess amount may be credited on any amount then  
44 due to the state tax commission from the person by whom the excess was paid  
45 and any balance refunded to that person.

46 (2) (a) No such credit or refund shall be allowed after three (3) years  
47 from the time the payment was made to the state tax commission, unless,

1 before the expiration of such period, a written claim therefor is filed  
2 with the state tax commission by the claimant or the claimant's repre-  
3 sentative, but only if the claimant has authorized in writing the repre-  
4 sentative to file a claim.

5 (b) For periods in regard to which the state tax commission asserts a  
6 deficiency under section 63-4607, Idaho Code, a claim for any refund,  
7 relating to the period to which the deficiency relates, must be made on  
8 or before the later of:

9 (i) The date provided in subsection (2) (a) of this section;

10 (ii) The date upon which any administrative or judicial proceed-  
11 ing relating to such deficiency is finally resolved; or

12 (iii) The date specified in any agreement under section  
13 63-4609(7), Idaho Code.

14 (c) A taxpayer claiming a refund of amounts paid in obedience to such  
15 deficiencies must do so by appealing within the time limits prescribed  
16 in section 63-3049, Idaho Code.

17 (3) Interest shall be allowed on the amount of such credits or refunds  
18 at the rate provided in section 63-3045, Idaho Code, from the date such tax  
19 was paid to the state tax commission.

20 (4) If the state tax commission denies a claim for refund in whole or in  
21 part, it shall provide notice of the denial in the manner provided in section  
22 63-4607(3), Idaho Code. The state tax commission shall issue a final deci-  
23 sion pursuant to the requirements of section 63-3045B, Idaho Code. Appeal of  
24 a state tax commission decision denying in whole or in part a claim for re-  
25 fund shall be made in accordance with and within the time limits prescribed  
26 in section 63-3049, Idaho Code.

27 63-4607. DEFICIENCY DETERMINATIONS. (1) If the state tax commission  
28 is not satisfied with the return or returns of the tax, because of errors or  
29 omissions discovered in audits or in any other way, it may compute and deter-  
30 mine the amount that is due upon the basis of facts contained in the return  
31 or returns or upon the basis of any information within its possession or that  
32 may come into its possession and assert a deficiency. One (1) or more defi-  
33 ciency determinations may be made of the amount due for one (1) or for more  
34 than one (1) period. In making such determination, the state tax commission  
35 may offset overpayments against amounts due.

36 (2) If any person fails to make a return, the state tax commission shall  
37 make an estimate of the amount of sales or use subject to tax by this chapter,  
38 and shall in this manner determine the amount of tax due from such person.  
39 The estimate shall be made for the period or periods in respect to which the  
40 person failed to make a return and shall be based upon any information that  
41 is in the state tax commission's possession or that may come into its posses-  
42 sion.

43 (3) The state tax commission shall give written notice of its determi-  
44 nation and the amount of the deficiency, including any interest and penal-  
45 ties, to the person from whom such deficiency amount is due, in the manner  
46 prescribed by section 63-3045, Idaho Code.

47 63-4608. INTEREST ON DEFICIENCIES. Interest upon any deficiency shall  
48 be assessed at the same time as the deficiency and shall be due and payable

1 upon notice and demand from the state tax commission and shall be collected  
2 as a part of the tax at the rate provided in section 63-3045, Idaho Code, from  
3 the date prescribed for the payment of the tax.

4 63-4609. PERIOD OF LIMITATION UPON ASSESSMENT AND COLLECTION. Except  
5 as otherwise provided in this section:

6 (1) The amount of taxes imposed by this chapter shall be assessed within  
7 three (3) years after the due date of the return or the date the return was  
8 filed, whichever is later, and no proceeding in court without assessment for  
9 the collection of such taxes shall begin after the expiration of such period;  
10 provided however, if an assessment has been made within the prescribed time,  
11 such tax may be collected by levy or by a proceeding in court within a period  
12 of six (6) years after assessment of the tax and, provided further, that this  
13 shall not be in derogation of any of the remedies elsewhere herein provided.  
14 The running of the period of limitations provided by this section shall be  
15 suspended for the period during which the state tax commission is prohib-  
16 ited from making the assessment or from collecting by levy or a proceeding in  
17 court, and for thirty (30) days thereafter.

18 (2) In the case of a false or fraudulent return with the intent to evade  
19 tax, or a willful attempt in any manner to defeat or evade tax, the tax may be  
20 assessed, or a proceeding in court for collection of such tax may be begun,  
21 without assessment, at any time.

22 (3) In the case of taxes owed by a person who has failed to file a return  
23 as provided in section 63-4603, Idaho Code, the amount of taxes imposed in  
24 this chapter shall be assessed within seven (7) years of the time the return  
25 upon which the tax asserted to be due should have been filed.

26 (4) The periods of limitation upon assessment and collection provided  
27 in this section shall not apply:

28 (a) In cases where the facts disclose a false or fraudulent act with the  
29 intent to evade tax; or

30 (b) To taxes collected by a retailer, seller or any other person who has  
31 failed to pay over such taxes to the state tax commission.

32 (5) In the case of taxes due during the lifetime of a decedent, or by his  
33 estate during the period of administration, a notice of deficiency shall be  
34 issued, a claim shall be made, the tax shall be assessed, or any proceeding  
35 in court without assessment for the collection of such tax shall be begun,  
36 within twelve (12) months after written request for prompt action is filed  
37 with the state tax commission by the executor, administrator or other fidu-  
38 ciary representing the estate of such decedent. This subsection shall not  
39 apply if the return for which the request for prompt action relates has not  
40 been filed with the state tax commission.

41 (6) No assessment of a deficiency with respect to the tax imposed by  
42 this chapter, and no distraint or proceedings in court for its collection  
43 shall be made, begun or prosecuted until a notice under section 63-3629,  
44 Idaho Code, has been mailed to the taxpayer, nor until all appeal rights re-  
45 lating to the deficiency have become final.

46 (7) Where, before the expiration of the time prescribed in this section  
47 for the assessment of any tax imposed by this chapter, both the state tax com-  
48 mission or its delegate or deputy and the taxpayer have consented in writing  
49 to its assessment after such time, the tax may be assessed at any time prior

1 to the expiration of the period agreed upon. The period so agreed upon may be  
2 extended by subsequent agreements in writing made before the expiration of  
3 the period previously agreed upon.

4 63-4610. ADDITIONS AND PENALTIES. The additions, penalties and re-  
5 quirements provided by the Idaho income tax act, sections 63-3046, 63-3075,  
6 63-3076 and 63-3077, Idaho Code, shall apply in the same manner and to the  
7 same extent to this chapter as to the Idaho income tax act and shall cover  
8 acts, omissions and delinquencies under this chapter similar to acts, omis-  
9 sions and delinquencies under the Idaho income tax act and such additions,  
10 penalties and requirements shall, for this purpose, be described as and be  
11 for such acts, omissions, delinquencies and requirements under the Idaho  
12 sales tax act; provided however, that the provisions of section 63-3076,  
13 Idaho Code, shall not prevent the release of information about a specific  
14 transaction to any party to such transaction and any individual signing an  
15 exemption claim relating to the transaction. The state tax commission may  
16 release such information only when it determines that the release will bene-  
17 fit the enforcement of this chapter, and not otherwise.

18 63-4610A. AUTHORITY TO ENTER AGREEMENTS. Notwithstanding the pro-  
19 visions of section 63-3076 or 63-4610, Idaho Code, relating to confiden-  
20 tiality, the state tax commission may enter into a written agreement with  
21 the Idaho transportation department providing for exchange of information  
22 as both the state tax commission and the department may find necessary to  
23 implement the letter and intent of this chapter or the laws relating to the  
24 registration of motor vehicles in this state. The state tax commission is  
25 not authorized under this section to disclose any financial information from  
26 any tax return filed with the state tax commission other than whether or not  
27 an individual filed a resident or nonresident return.

28 63-4611. COLLECTION AND ENFORCEMENT. The collection and enforcement  
29 procedures provided by the Idaho income tax act, sections 63-3030A, 63-3038,  
30 63-3039, 63-3040, 63-3042, 63-3043, 63-3044, 63-3045B, 63-3047, 63-3048,  
31 63-3049, 63-3050 through 63-3064, 63-3065A, 63-3071 and 63-3074, Idaho  
32 Code, shall apply and be available to the state tax commission for enforce-  
33 ment of the provisions of this chapter and collection of any amounts due  
34 under this chapter, and said sections shall, for this purpose, be considered  
35 part of this chapter and wherever liens or any other proceedings are defined  
36 as income tax liens or proceedings, they shall, when applied in enforcement  
37 or collection under this chapter, be described as motor vehicle rental liens  
38 and proceedings.

39 SECTION 5. The provisions of this act shall be in full force and effect  
40 on and after January 1, 2014.