

MINUTES  
**HOUSE REVENUE & TAXATION COMMITTEE**

**DATE:** Thursday, January 24, 2013

**TIME:** 9:00 A.M.

**PLACE:** Room EW42

**MEMBERS:** Chairman Collins, Vice Chairman Wood(35), Representatives Barrett, Moyle, Raybould, Denney, Anderson(31), Anderst, Dayley, Hartgen, Kauffman, Patterson, Trujillo, Burgoyne, Erpelding, Meline

**ABSENT/  
EXCUSED:** None.

**GUESTS:** Benjamin Davenport, Associated Taxpayers of Idaho; Tyler Mallard, Risch Pisca; Bob Aldridge, Trust & Estate Professionals of Idaho; N.L. Clayville, DFM; Derek Santos, DFM; Elizabeth Criner, Veritas Advisors; Sen. Roy Lacey; Rep. Donna Pence.

**Chairman Collins** called the meeting to order at 9:00 a.m.

**MOTION:** **Rep. Wood(35)**. made a motion to approve the minutes of January 23, 2013.  
**Motion carried by voice vote.**

**RS 21784:** **Robert Aldridge**, Trust & Real Estate Professionals of Idaho, presented **RS 21784**, regarding the deferred property tax method used to calculate eligibility for circuit breaker tax relief. This proposed legislation would clarify what is meant by "sufficient equity" as well as how reverse mortgages and line of credit loans are to be taken into account. Mr. Aldridge clarified that individuals with line-of-credit and reverse mortgages would be able to qualify if they converted those loans to a fixed amount loan and stayed within the 80% debt to equity ratio. In response to a question from the committee, Mr. Aldridge yielded to **Alan Dornfest**, Idaho State Tax Commission. He stated that for the circuit breaker tax relief, there is a household income limit of \$28,000. The tax deferral limit is calculated differently, using an indexed 2007 value of \$40,000.

**MOTION:** **Rep. Burgoyne** made a motion to introduce **RS 21784**. **Motion carried by voice vote.** **Rep. Anderson(31)** requested he be recorded as voting **NAY**.

**RS 21717C1:** **Sen. Roy Lacey** presented **RS 21717C1**. This is a Value-Added Agriculture Bill intended to provide incentives for the addition of processing facilities in Idaho. This bill would provide a tax credit of 30% of investment with a cap of \$500,000. Eligibility for the tax credit would also be contingent upon creating jobs and hiring Idaho employees. **Rep. Donna Pence** provided information on the value of Agriculture in Idaho, which is estimated to be \$772 billion. Sen. Lacey responded to committee questions that the tax credit would only apply to investments in new facilities that meet the criteria subsequent to the effective date of January 1, 2013.

**MOTION:** **Rep. Wood(35)** made a motion to introduce **RS 21717C1**. **Motion carried by voice vote.**

**ADJOURN:** There being no further business to come before the committee, the meeting was adjourned at 9:32 a.m.

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Representative Collins  
Chair

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Kathleen A. Simko  
Secretary