

MINUTES
HOUSE REVENUE & TAXATION COMMITTEE

DATE: Thursday, February 06, 2014

TIME: 9:00 A.M.

PLACE: Room EW42

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

**ABSENT/
EXCUSED:** Rep. Agidius

GUESTS: Vicky McIntyre, Ada County & IATC; Tracie Lloyd, Canyon County & IATC; Seth Grigg, Idaho Association of Counties; Kate Haas, Kestrel West; Raeleen Welton, Rocky Mountain Power; Suzanne Budge, SBS Associates; Phil Homer, IASA; Parker Papworth, Lobby Idaho.

Chairman Collins called the meeting to order at 9:00 am.

MOTION: **Rep. Wood(35)** made a motion to approve the minutes of February 4, 2014.
Motion carried by voice vote.

S 1213: **Sen. Rice** presented **S 1213**. This legislation will eliminate the need for entities to make application for tax exemption, since oil and gas wells are always exempt from personal property tax.

MOTION: **Rep. Moyle** made a motion to send **S 1213** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Moyle** will sponsor the bill on the floor.

S 1236: **Seth Grigg**, Idaho Association of Counties, presented **S 1236** which would authorize County Treasurers to send tax notices electronically, upon the request of the taxpayer.

In response to questions from the committee, **Mr. Grigg** stated the reference to the Post Office box mailing address is found throughout the statute so it was not changed in the context of emailing notices. Documentation proving receipt of any email notices sent would be up to the Treasurer. Currently, the only way a Treasurer knows if the taxpayer did not receive a mailed tax notice is if the mail is returned. Similarly, an undeliverable email notice is typically sent for email that cannot be delivered. The final process for follow up notice would be at the discretion of the Treasurer.

Rep. Trujillo stated the Treasurer has a requirement to provide notice, which is covered in statute. However, regardless of whether the notice is actually received or not, the tax is still owed.

Tracie Lloyd, Canyon County Treasurer, stated if mail is returned, they try to find amore accurate mailing address and this would be the same process used for an email tax notice.

Mr. Grigg confirmed email tax notice is not intended to be mandatory and would be only at the request of the taxpayer.

MOTION: **Rep. Trujillo** made a motion to send **S 1236** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Trujillo** will sponsor the bill on the floor.

S 1237: **Seth Grigg**, Idaho Association of Counties, presented **S 1237**. Current statute permits an individual twelve months for tax deed redemption but allows the County Treasurer a 14 month period to auction the tax deeded property. This legislation clarifies the time limit of fourteen months for redemption of tax deeded property, by the owner of record.

MOTION: **Rep. Anderst** made a motion to send **S 1237** to the floor with a **DO PASS** recommendation.

Mr. Grigg stated the County is required to put tax deeded property up for auction within a 14 month period. The County is also allowed to set a minimum bid and generally, the amount covers the tax deficiency and any additional costs incurred. If a bid is not received, the County does not lose the ability to sell the property. The County can sell tax deeded property at any amount they see fit, with no time certain.

In response to a question, **Mr. Grigg** stated the Board of County Commissioners can allow a hardship waiver when tax becomes past due. Generally, a property is tax deeded three years after the tax becomes delinquent. With the additional 14 months provided to the owner in this legislation, more than four years will have passed by the time of auction. Typically by this time, the former owner has no interest or ability to retain the property, however, nothing prevents them from approaching the County and potentially purchasing the property for the listed price.

Tracy Lloyd, Canyon County Treasurer, stated they have several pieces of property that were not sold at auction and which are now listed with a real estate agent. These are very distressed properties where the owner just walked away.

Rep. Kauffman declared Rule 38 as his wife is a County Treasurer.

VOTE ON MOTION: **Chairman Collins** called for a vote on the motion. **Motion carried by voice vote.** **Rep. Anderst** will sponsor the bill on the floor.

RS 22775: **Rep. Trujillo** presented **RS 22775**. This proposed legislation is intended to improve the public accountability and transparency of all special purpose governmental units in Idaho. Only 35.5% are in compliance with auditing requirements. School districts are at 100% since their funding will be withheld if audits are not completed in time. There is not expected to be a fiscal impact as Legislative Services Office (LSO) anticipates the audits can be done with existing state resources. **Rep. Trujillo** stated LSO will develop the form and process to be used for the audits of various governmental units.

MOTION: **Rep. Wood(35)** made a motion to introduce **RS 22775**. **Motion carried by voice vote.**

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 9:28 am.

Representative Collins
Chair

Kathleen A. Simko
Secretary