MEMORANDUM

TO: Senators SIDDOWAY, Guthrie, Stennett and, Representatives COLLINS, Trujillo, Erpelding

FROM: Kristin Ford - Legislative Research Analyst

DATE: August 04, 2016

SUBJECT: Temporary Rule

IDAPA 35.01.03 - Property Tax Administrative Rules - Adoption of Temporary Rule - Docket No. 35-0103-1604

We are forwarding this temporary rule to you for your information only. No analysis was done by LSO. This rule is posted on our web site. If you have any questions, please call Kristin Ford at the Legislative Services Office at (208) 334-4834. Thank you.

Attachment: Temporary Rule
EFFECTIVE DATE: The effective date of the temporary rule is July 1, 2016.

AUTHORITY: In compliance with Section 67-5226, Idaho Code, notice is hereby given this agency has adopted a temporary rule. The action is authorized pursuant to Sections 67-5224 and 67-5291, Idaho Code.

DESCRIPTIVE SUMMARY: The following is the required finding and concise statement of its supporting reasons for adopting a temporary rule:

Rule 317. OCCUPANCY TAX ON NEWLY CONSTRUCTED IMPROVEMENTS ON REAL PROPERTY - The rule is changed so that the maximum homeowner’s exemption applied to property subject to the occupancy tax after July 1, 2016 be consistent with new law (HB431) ($100,000).

Rule 609. PROPERTY TAX EXEMPT FROM TAXATION - HOMESTEAD - The rule is changed to delete the instructions to compute the maximum homeowner’s exemption based on the house price index and to note that the maximum amount has been set by new law (HB431) to be $100,000.

Rule 803. BUDGET CERTIFICATION – DOLLAR CERTIFICATION FORM (L-2 Form) - The rule is changed to guide the counties and other taxing districts into compliance with new House Bill 474 pertaining to the use/budgeting of forgone amount. In addition the amount of money transferred from the interest-bearing trust to the county indigent fund under Section 31-808(11), Idaho Code may be redirected to the state treasurer’s office by newly enacted Senate Bill No. 1347.

TEMPORARY RULE JUSTIFICATION: Pursuant to Sections 67-5226(1)(b) and (c), Idaho Code, the Governor has found that temporary adoption of the rule is appropriate for the following reasons:

Compliance with deadlines in amendments to governing law or federal programs, and confers a benefit to taxpayers.

FEE SUMMARY: Pursuant to Section 67-5226(2), the Governor has found that the fee or charge being imposed or increased is justified and necessary to avoid immediate danger and the fee is described herein: N/A

ASSISTANCE ON TECHNICAL QUESTIONS: For assistance on technical questions concerning the temporary rule, contact Alan Dornfest (208) 334-7742.

DATED this 23th Day of June, 2016.

Alan Dornfest
Tax Policy Supervisor
Idaho State Tax Commission
800 Park Blvd., Plaza IV
PO Box 36
Boise, ID 83722-0410
(208) 334-7742
THE FOLLOWING IS THE TEXT OF THE TEMPORARY RULE FOR DOCKET NO. 35-0103-1604
(Only Those Sections With Amendments Are Shown.)

317. OCCUPANCY TAX ON NEWLY CONSTRUCTED IMPROVEMENTS ON REAL PROPERTY
(RULE 317).
Section 63-317, Idaho Code

01. Property Subject to Occupancy Tax. Excluding additions to existing improvements, the
occupancy tax shall apply to improvements upon real property, whether under the same or different ownership. The
occupancy tax shall also apply to new manufactured housing, as defined in Section 63-317, Idaho Code, excluding
additions to existing manufactured housing. (4-6-05)

02. Prorated Market Value. The market value for occupancy tax purposes shall be the full market
value on January 1 and shall be prorated at least monthly from the occupancy date to the end of the year. (3-29-10)

03. Notice of Appraisal. When notifying each owner of the appraisal, the county assessor shall include
at a minimum the full market value before any exemptions and before any prorating of the value, the length of time
subject to the occupancy tax, and the prorated value. (5-3-03)

04. Examples for Calculation of Value Less Homestead Exemption (HO). The following examples
show the procedure for the calculation of the taxable value subject to the occupancy tax less the homestead exemption
(HO): (3-30-07)

a. Example for prorated market value exceeding maximum amount of the homestead exemption for
tax year 2009 improvements subject to the occupancy tax beginning July 1, 2016. Each year the maximum amount of
the homestead exemption is subject to modification by the Housing Price Index. If the improvements had been subject
to the occupancy tax after January 1, 2016 but before July 1, 2016, the limitation on the homestead exemption would
have been ninety-four thousand seven hundred and forty-five dollars ($94,745). For improvements subject to the
occupancy tax on or after July 1, 2016, the limitation on the homestead exemption is one hundred thousand dollars
($100,000).

<table>
<thead>
<tr>
<th>Full Market Value of Home - $300,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prorated Market Value for 11 Month Occupancy - $300,000 x 11/12 = $275,000</td>
</tr>
<tr>
<td>Taxable Value - $275,000 - $104,471 100,000 (HO) = $170,529</td>
</tr>
</tbody>
</table>

b. Example for prorated market value resulting in less than the maximum amount of the homestead
exemption.

<table>
<thead>
<tr>
<th>Full Market Value of Home - $120,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prorated Market Value for 3 Month Occupancy - $120,000 x 3/12 = $30,000</td>
</tr>
<tr>
<td>Taxable Value - $30,000 - $15,000 (HO) = $15,000</td>
</tr>
</tbody>
</table>

05. Market Value. The market value for occupancy tax purposes shall be entered on an occupancy tax
valuation roll. Occupancy tax valuation shall not be included in the assessed value of any taxing district, but
occupancy tax must be declared in the certified budget. (3-30-07)
06. **Allocation to Urban Renewal Agencies.** Occupancy tax revenue shall be distributed to urban renewal agencies in the same manner as property taxes. (4-7-11)

   a. The portion of the occupancy tax raised for funds specified in Section 50-2908, Idaho Code, and Rule 804 of these rules must be distributed to the taxing districts levying property taxes for those funds and, therefore, must not be distributed to the urban renewal agency. (5-8-09)

   b. Except for occupancy tax raised for funds specified in Section 50-2908, Idaho Code, and Rule 804 of these rules, for parcels within a newly formed revenue allocation area or within an area newly annexed to an existing revenue allocation area, occupancy tax for the tax year during which the formation or annexation took effect must be distributed to the urban renewal agency. (4-7-11)

07. **Property Qualifying for the Homestead Exemption on Occupancy Value.** When property is subject to occupancy tax, only the improvements shall be eligible for the homestead exemption found in Section 63-602G, Idaho Code. (3-30-07)

08. **Effective Date.** The effective date of this rule is July 1, 2016. (7-1-16)

**BREAK IN CONTINUITY OF SECTIONS**

609. **PROPERTY EXEMPT FROM TAXATION -- HOMESTEAD (RULE 609).**
Sections 63-602G, 63-701, 63-703, and 63-3077, Idaho Code

01. **Homestead Exemption.** The Homestead Exemption granted in 63-602G, Idaho Code shall also be known as the homeowner's exemption. (3-30-07)

02. **Idaho Annual House Price Index Change Maximum Amount of Homestead Exemption.** The successor to the United States Office of Federal Housing Enterprise Oversight is the Federal Housing Finance Agency. Annually, the State Tax Commission shall calculate the maximum dollar-value limit for the homeowner's exemption based on the annual change in the Idaho House Price Index-All-Transactions, published by the Federal Housing Finance Agency or its successor. The following procedure shall be used: The homestead exemption is limited to the lesser of fifty percent (50%) of assessed value or one-hundred thousand dollars ($100,000). (4-7-11)

   a. Step 1. Calculate the average Idaho House Price Index-All-Transactions of the four (4) most recently available quarters as of September 15. (4-7-11)

   b. Step 2. Calculate the average Idaho House Price Index-All-Transactions of the four (4) quarters immediately preceding the earliest quarter used in Step 1. (4-7-11)

   c. Step 3. Divide the Step 1 average by the Step 2 average to determine a factor. (3-30-07)

   d. Step 4. Multiply the factor determined in Step 3 by the current maximum dollar-value limit on the homeowner's exemption to produce the new dollar-value limit. (3-30-07)

03. **Partial Ownership.** Any partial ownership shall be considered ownership for determining qualification for the homeowner's exemption; however, the amount of the exemption shall be decided on the reduced proportion of the value commensurate with the proportion of partial ownership. The proportional reduction shall not apply to the ownership interests of a partner of a limited partnership, a member of a limited liability company or a shareholder of a corporation when that person has no less than five percent (5%) ownership interest in the entity unless any ownership interest is shared by any entity other than the limited partnership, limited liability company or corporation. For tenants in common with two (2) improvements located on one (1) parcel of land, determine the applicable value for the homeowner's exemption using the procedure shown in Example 1 of Paragraph 609.03.a., of this rule unless the owner-occupant provides documented evidence of a different ownership interest in the improvement. See Examples 2, 3, and 4 in Paragraphs 609.03.b., 609.03.c., and 609.03.d. of this rule for additional
partial ownership guidance. To calculate property tax reduction benefits when partial ownership exists, see Paragraph 700.05.b. of this rule. (4-2-08)

a. Example 1. John Smith and Bob Anderson own a property as tenants in common with two (2) residential improvements located on the property. Each residential improvement is owner occupied by one (1) of the tenants in common. The homeowner’s exemption is calculated as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$42,000</td>
<td></td>
</tr>
<tr>
<td>Residential Improvement</td>
<td>$82,000</td>
<td>Occupied by Mr. Smith</td>
</tr>
<tr>
<td>Prorated Ownership Interest (land and improvement)</td>
<td>$62,000</td>
<td>Mr. Smith’s interest</td>
</tr>
<tr>
<td>Homeowner’s Exemption</td>
<td>$31,000</td>
<td>For Mr. Smith as owner occupant</td>
</tr>
<tr>
<td>Residential Improvement</td>
<td>$67,000</td>
<td>Occupied by Mr. Anderson</td>
</tr>
<tr>
<td>Prorated Ownership Interest (land and improvement)</td>
<td>$54,500</td>
<td>Mr. Anderson’s interest</td>
</tr>
<tr>
<td>Homeowner’s Exemption</td>
<td>$27,250</td>
<td>For Mr. Anderson as owner occupant</td>
</tr>
</tbody>
</table>

b. Example 2. John Smith and Bob Anderson own a parcel of land as tenants in common with two (2) residential improvements located on the parcel. Mr. Smith has documented evidence of one hundred percent (100%) interest in one (1) residential improvement and Mr. Anderson has documented evidence of one hundred percent (100%) interest in the remaining residential improvement. Each residential improvement is owner occupied. The homeowner’s exemption is calculated as follows:

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Value</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$42,000</td>
<td></td>
</tr>
<tr>
<td>Residential Improvement</td>
<td>$82,000</td>
<td>Owned and occupied by Mr. Smith</td>
</tr>
<tr>
<td>Homeowner’s Exemption</td>
<td>$51,500</td>
<td>For Mr. Smith</td>
</tr>
<tr>
<td>Residential Improvement</td>
<td>$67,000</td>
<td>Owned and occupied by Mr. Anderson</td>
</tr>
<tr>
<td>Homeowner’s Exemption</td>
<td>$44,000</td>
<td>For Mr. Anderson</td>
</tr>
</tbody>
</table>

c. Example 3. Tom Johnson and Marie Johnson, husband and wife, and June Smith jointly own a property and occupy one (1) residential improvement located on the property. The following example shows how to calculate each homeowner’s exemption.

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$95,000</td>
<td></td>
</tr>
<tr>
<td>Residential Improvement</td>
<td>$215,000</td>
<td></td>
</tr>
<tr>
<td>Land and Improvement</td>
<td>$310,000</td>
<td></td>
</tr>
<tr>
<td>Prorated ownership interest (land and improvement) ($310,000 X 66.67%)</td>
<td>$206,677</td>
<td>Mr. &amp; Mrs. Johnson’s interest</td>
</tr>
</tbody>
</table>
d. Example 4. John and Susan Doe, husband and wife, and Mike Person jointly own a property, and Mr. and Mrs. Doe occupy the one (1) residential improvement located on the property. The following example shows how to calculate each homeowner’s exemption.

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homeowner’s Exemption Maximum for 2010 ($101,153 X 66.67%)</td>
<td>$67,439</td>
<td>Mr. &amp; Mrs. Johnson’s Homeowner’s Exemption</td>
</tr>
<tr>
<td>Prorated ownership interest (land and improvement) ($310,000 X 33.33%)</td>
<td>$103,323</td>
<td>Ms. Smith’s interest</td>
</tr>
<tr>
<td>Homeowner’s Exemption Maximum for 2010 ($101,153 X 33.33%)</td>
<td>$33,714</td>
<td>Ms. Smith’s Homeowner’s Exemption</td>
</tr>
</tbody>
</table>

(4-7-11)

04. Part Year Ownership. For qualifying taxpayers who claimed the homeowner's exemption on an eligible property, the homestead that qualified on January 1 of the current tax year shall continue to receive the exemption, provided however, the assessor may remove that property's exemption if, by April 15 of the tax year, the taxpayer owns a different homestead and requests that the exemption be transferred to the second homestead. (4-11-15)

05. Determination of Residency. The State Tax Commission may release pertinent information from any Idaho income tax return to the county assessor and the county Board of Equalization for the sole purpose of providing one (1) indicator of eligibility for the homeowner's exemption. According to Section 63-3077(4), Idaho Code, this information is confidential and is not subject to public disclosure. (4-11-06)

06. Notification of Erroneous Claims. When it is determined that an exemption granted under this Section to a taxpayer who has also received property tax relief under Chapter 7, Idaho Code, should not have been granted, the county assessor shall notify the State Tax Commission of the determination. (3-29-10)

(BREAK IN CONTINUITY OF SECTIONS)

803. BUDGET CERTIFICATION -- DOLLAR CERTIFICATION FORM (L-2 FORM) (RULE 803).
01. Definitions. (4-5-00)

a. “Dollar Certification Form” (L-2 Form). The Dollar Certification Form (L-2 Form) is the form used to submit to the State Tax Commission the budget request from each Board of County Commissioners for each taxing district. This form shall be presumed a true and correct representation of the budget previously prepared and approved by a taxing district. The budget will be presumed adopted in accordance with pertinent statutory provisions unless clear and convincing documentary evidence establishes that a budget results in an unauthorized levy and action as provided in Section 63-809, Idaho Code. (4-6-05)

b. “Prior Year’s Market Value for Assessment Purposes.” Prior year’s market value for assessment purposes shall mean the value used to calculate levies during the immediate prior year. This value shall be used for calculating the permanent budget increase permitted for cities, pursuant to Section 63-802(1)(f), Idaho Code. (4-2-08)

c. “Annual Budget.” For the purpose of calculating dollar amount increases permitted pursuant to Section 63-802(1), Idaho Code, the annual budget shall include any amount approved as a result of an election held pursuant to Sections 63-802(1)(f) or 63-802(1)(g), Idaho Code, provided that said amount is certified on the L-2 Form as part of the budget request. If the amount certified does not include the entire amount approved as a result of the election held pursuant to Sections 63-802(1)(f) or 63-802(1)(g), Idaho Code, then the amount not used shall be added to the foregone increase amount determined for the taxing district. See the following example.

d. “Property Tax Funded Budget.” Property tax funded budget means that portion of any taxing district’s budget certified to the Board of County Commissioners, approved by the State Tax Commission, and subject to the limitations of Section 63-802, Idaho Code. (3-20-04)

e. “Recovered/Recaptured Property Substitute Funds Tax List.” Recovered/recaptured property tax substitute funds list means the report sent by the county auditor to the appropriate taxing district/unit(s) by the first Monday in August and to the State Tax Commission with the L-2 Forms, listing the amount of revenue distributed to each appropriate taxing district/unit as recovery of property tax or other payments during the twelve (12) month period ending June 30 each year under the following sections: (5-8-09)

i. Section 63-602G(5), Idaho Code; and

ii. Section 63-3029B(4), Idaho Code; and

iii. Section 31-808(11), Idaho Code; and

iv. Section 63-602KK(7), Idaho Code, for personal property exempted after 2013 for which no...
replacement money was paid. (3-25-16)

f. “Taxing District/Unit.” Taxing district/unit means any governmental entity with authority to levy property taxes as defined in Section 63-201, Idaho Code, and those noncountywide governmental entities without authority to levy property taxes but on whose behalf such taxes are levied or allocated by an authorized entity such as the county or city for such entities as county road and bridge funds or urban renewal agencies, respectively. (4-6-05)

g. “New Taxing District.” For property tax budget and levy purposes, new taxing district means any taxing district for which no property tax revenue has previously been levied. See the Idaho Supreme Court case of Idaho County Property Owners Association, Inc. v. Syringa General Hospital District, 119 Idaho 309, 805 P.2d 1233 (1991). (4-2-08)

02. Budget Certification. The required budget certification shall be made to each Board of County Commissioners representing each county in which the district is located by submitting the completed and signed L-2 Form prescribed by the State Tax Commission. Unless otherwise provided for in Idaho Code, budget requests for the property tax funded portions of the budget shall not exceed the amount published in the notice of budget hearing if a budget hearing notice is required in Idaho Code for the district. The levy approved by the State Tax Commission shall not exceed the levy computed using the amount shown in the notice of budget hearing. (3-20-14)

03. Budget Certification Requested Documents. Using the completed L-2 Form, each board of county commissioners shall submit to the State Tax Commission a budget request for each taxing district in the county that certifies a budget request to finance the property tax funded portion of its annual budget. The board of county commissioners shall only submit documentation specifically requested by the State Tax Commission. For any taxing district submitting a budget including previously forgone increases, required documentation includes a copy of a resolution certifying the amount of the forgone increase being included and the specific purpose for which this increase is being budgeted. Each such taxing district must submit the resolution to the board of county commissioners representing each county in which the district is located along with the L-2 Form. The board of county commissioners must attach a copy of the resolution to be submitted to the tax commission along with the L-2 Form. Such submittal will constitute submittal to the tax commission. (4-2-08) (7-1-16)

04. L-2 Form Contents. Each taxing district or unit completing an L-2 Form shall include the following information on or with this form. (3-20-04)

a. “Department or Fund.” Identify the department or fund for which the taxing district is requesting a budget for the current tax year. (4-5-00)

b. “Total Approved Budget.” List the dollar amount of the total budget for each department or fund identified. The amounts must include all money that a taxing district has a potential to spend at the time the budget is set, regardless of whether funds are to be raised from property tax. (4-5-00)

c. “Cash Forward Balance.” List any money retained, but intended to be spent to fund the approved budget being certified on the L-2 form. (4-11-15)

d. “Other Revenue not Shown in Column 5.” List the revenue included in the total approved budget to be derived from sources other than property tax or money brought forward from a prior year. For example, sales tax revenue is included. (3-15-02)

e. “Property Tax Replacement.” Report the following: (5-8-09)

i. The amount of money received annually under Section 63-3638(11), Idaho Code, as replacement revenue for the agricultural equipment exemption under Section 63-602EE, Idaho Code; (4-11-15)

ii. The amount of money received as recovery of property tax exemption under Section 63-602G(5), Idaho Code, and listed on the “Recovered/recaptured property tax substitute funds list”; (5-8-09)

iii. The amount of money received as recapture of the property tax benefit under Section 63-3029B(4), Idaho Code, and listed on the “Recovered/recaptured property tax substitute funds list”; (4-11-15)
iv. The amount of money transferred from the interest-bearing trust to the county indigent fund under Section 31-808(11), Idaho Code.

(3-8-09)

v. The appropriate amount of money listed on the statement and distributed to the county and each appropriate city under Section 63-2603, Idaho Code, as county property tax relief and detention facility debt retirement;

(3-25-16)

vi. The amount of money received annually under Section 63-3638(13), for the personal property exemption under 63-602KK(2), Idaho Code; and

(3-25-16)

vii. The amount of money received annually under Section 63-602KK(7), Idaho Code, for personal property exempted after 2013, for which no replacement money was paid, and listed on the “Recovered/recaptured property tax substitute funds list”.

(3-25-16)

f. “Balance to be Levied.” Report the amount of money included in the total approved budget to be derived from property tax.

(3-15-02)

g. Other Information. Provide the following additional information.

(4-5-00)
i. The name of the taxing district or unit;

(3-20-04)

ii. The date of voter approval (if required by statute) and effective period for any new or increased fund which is exempt from the budget limitations in Section 63-802, Idaho Code;

(4-5-00)

iii. The signature, date signed, printed name, address, and phone number of an authorized representative of the taxing district; and

(5-3-03)

iv. For a hospital district which has held a public hearing, a signature certifying such action.

(4-5-00)

v. For any taxing district including previously forgone increases in their budget, an attestation to having held the required public hearing on the resolution to include the forgone amount.

(7-1-16)

h. Attached Information. Other information submitted to the county auditor with the L-2 Form.

(4-6-05)
i. For all taxing districts, L-2 worksheet.

(3-20-04)

ii. For newly formed recreation or auditorium districts, a copy of the petition forming the district showing any levy restrictions imposed by that petition.

(3-20-04)

iii. For any new ballot measures (bonds, overrides, permanent overrides, supplemental maintenance and operations funds, and plant facility funds), notice of election and election results.

(3-20-04)

iv. Voter approved fund tracker.

(3-20-04)

v. For fire districts, a copy of any new agreements with utility companies providing for payment of property taxes by that utility company to that fire district.

(3-20-04)

vi. For any city with city funded library operations and services at the time of consolidation with any library district, each such city must submit a certification to the Board of County Commissioners and the Board of the Library District reporting the dedicated portion of that city’s property tax funded library fund budget and separately reporting any portion of its property tax funded general fund budget used to fund library operations or services at the time of the election for consolidation with the library district.

(3-20-04)

vii. For any library district consolidating with any city that had any portion of its property tax funded budget(s) dedicated to library operations or services at the time of the election for consolidation, each such library
state tax commission  

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district must submit to the board of county commissioners a copy of the certification from that city reporting the information provided for in subparagraph 803.04.h.vi. of this rule.  

viii. for any taxing district including previously forgone increases in their budget, a copy of a resolution describing the amount of the forgone increase being included and specific purpose for which it is being included.  

05. special provisions for fire districts levying against operating property. to prevent double counting of public utility property values, for any year following the first year in which any fire district increases its budget using the provision of section 63-802(2), idaho code, such fire district shall not be permitted further increases under this provision unless the following conditions are met:  

a. the fire district and public utility have entered into a new agreement of consent to provide fire protection to the public utility; and  

b. said new agreement succeeds the original agreement; and  

c. in the first year in which levies are certified following the new agreement, the difference between the current year's taxable value of the consenting public utility and public utility value used in previous budget calculations made pursuant to this section is used in place of the current year's taxable value of the consenting public utility.  

06. special provisions for property tax replacement. property tax replacement monies must be reported on the l-2 form and separately identified on accompanying worksheets. except as provided in paragraph 803.06.f. of this rule, for all taxing districts, these monies must be subtracted from the “balance to be levied”. the reduced balance shall be used to compute levies, but the maximum amount permitted pursuant to section 63-802, idaho code, shall be based on the sum of these property tax replacement monies, excluding monies received pursuant to section 31-808(11), idaho code, and the amount actually levied.  

a. the state tax commission shall, by the fourth monday of july, notify each county clerk if the amount of property tax replacement money, pursuant to sections 63-3638(11) and (13), idaho code, to be paid to a taxing district changes from the amount paid in the preceding year. by the first monday of may, the state tax commission shall further notify each school district and each county clerk of any changes in the amount of property tax replacement money to be received by that school district pursuant to sections 63-3638(11) and (13), idaho code.  

b. by no later than the first monday of august of each year, each county clerk shall notify each appropriate taxing district or unit of the total amount of property tax replacement monies that will be received, and shall further identify the type of replacement money as described in paragraph 803.04.e. of this rule. for charter school districts subject to the provisions of paragraph 803.06.f. of this rule, the amount to be subtracted shall be reported.  

c. except as provided in paragraph 803.06.d. of this rule, the subtraction required in subsection 803.06 of this rule may be from any fund(s) subject to the limitations of section 63-802, idaho code. for school districts this subtraction must be first from funds subject to the limitations of section 63-802, idaho code, then from other property tax funded budgets.  

d. for counties receiving monies described in section 31-808(11), idaho code, the amount of money transferred from the interest-bearing trust to the county indigent fund shall be subtracted from the maximum amount of property tax revenue permitted pursuant to section 63-802, idaho code.  

e. levy limits shall be tested against the amount actually levied.  

f. for charter school districts with a levy in 2013 for maintenance and operations, as provided in section 33-802(6), idaho code, a portion of the property tax replacement money received for property subject to the exemption in section 63-602kk, idaho code, is not required to be subtracted in determining the “balance to be levied.” said portion shall be the amount calculated by applying the 2013 levy rate for the maintenance and
operations levy amount, as authorized in the district’s charter, to the 2013 exempt value of personal property used to compute replacement money provided to the school district. (4-11-15)

g. For recovered personal property exemptions, as provided in Section 63-602KK(7), Idaho Code, for personal property exempted in 2013 for which replacement money was paid, recovered amounts shall be distributed to the State Tax Commission. Once received, the amount of future payments to the affected taxing districts shall be reduced by the amount received. (3-25-16)

07. Special Provisions for Library Districts Consolidating with Any City’s Existing Library Operations or Services. For any library district consolidating with any city’s existing library operations or services, the amount of the dedicated property tax funded general fund and library fund budgets certified by the city under Subparagraph 803.04.h.vi., of this rule shall be added to that library district’s property tax funded budget in effect at the time of the election for consolidation. This total shall be used as this district’s property tax funded budget for the most recent year of the three (3) years preceding the current tax year for the purpose of deciding the property tax funded budget that may be increased as provided by Section 63-802, Idaho Code. (4-6-05)

08. Special Provisions for Cities with Existing Library Operations or Services Consolidating with Any Library District. For any city with existing library operations or services at the time of consolidation with any library district, the amount of the dedicated property tax funded library fund budget included in the certification by the city under Subparagraph 803.04.h.vi., of this rule shall be subtracted from that city’s total property tax funded budget in effect at the time of the election for the consolidation. This difference shall be used as this city’s property tax funded budget for the most recent year of the three (3) years preceding the current tax year for the purpose of deciding the property tax funded budget that may be increased as provided by Section 63-802, Idaho Code. (4-6-05)

09. Special Provisions for Calculating Total Levy Rate for Taxing Districts or Units with Multiple Funds. Whenever the “Calculated Levy Rate” column of the L-2 Form indicates that a levy rate has been calculated for more than one (1) fund for any taxing district or unit, the “Column Total” entry must be the sum of the levy rates calculated for each fund. Prior to this summation, the levy rates to be summed must be rounded or truncated at the ninth decimal place. No additional rounding is permitted for the column total. (4-6-05)

10. Special Provisions for School Districts’ Tort Funds - Hypothetical New Construction Levy. To calculate the new construction portion of the allowed annual increase in a school district's tort fund under Section 63-802(1), Idaho Code, calculate a Hypothetical New Construction Levy. To calculate this hypothetical levy, sum the amount of the school district's tort fund levied for the prior year, the agricultural equipment replacement revenue, and the personal property replacement revenue, then divide this sum by the school district's taxable value used to determine the tort fund's levy for the prior year. For the current year, the allowed tort fund increase for new construction is this Hypothetical New Construction Levy times the current year's new construction roll value for the school district. (3-25-16)

11. Special Provisions for Interim Abatement Districts. When an interim abatement district transitions into a formally defined abatement district under Section 39-2812, Idaho Code, the formally defined abatement district shall not be considered a new taxing district as defined in Paragraph 803.01.g. of this rule for the purposes of Section 63-802, Idaho Code. For the formally defined abatement district, the annual budget subject to the limitations of Section 63-802, Idaho Code, shall be the amount of property tax revenue approved for the interim abatement district. (4-2-08)

12. Special Provisions for Levies for Payment of Judgments by Order of Court. The levy permitted pursuant to Section 63-1305A, Idaho Code, requires that the taxing district first budgets the maximum amount of property tax permitted pursuant to Section 63-802, Idaho Code, including any foregone amount. This requirement shall be deemed to have been met if, despite additional budget allowed pursuant to Section 63-802, Idaho Code, every fund used by the taxing district levies at the maximum levy rate provided by law, or, if no maximum levy rate is provided, the fund levies the maximum permitted budget amount. To the extent necessary to enable all previously accrued foregone amounts to be levied, the taxing district may need to use additional funds within which it is permitted to levy property taxes before levying as permitted pursuant to Section 63-1305A, Idaho Code. (4-4-13)

13. Cross Reference for School Districts with Tuition Funds. School district tuition fund levies are exempt from the limitations of Section 63-802, Idaho Code. See Section 33-1408, Idaho Code. (4-11-15)