

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 492

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1 RELATING TO PROPERTY TAX RELIEF FOR CERTAIN DISABLED VETERANS; AMENDING
2 SECTION 63-704, IDAHO CODE, TO PROVIDE THAT CERTAIN DISABLED VETERANS
3 SHALL BE ELIGIBLE FOR A SPECIAL PROPERTY TAX REDUCTION; AMENDING CHAP-
4 TER 7, TITLE 63, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 63-705A,
5 IDAHO CODE, TO ESTABLISH A SPECIAL PROPERTY TAX REDUCTION FOR CERTAIN
6 DISABLED VETERANS AND SURVIVING SPOUSES; AND AMENDING SECTION 63-707,
7 IDAHO CODE, TO INCLUDE CERTAIN INFORMATION IN THE PROPERTY TAX REDUC-
8 TION ROLLS AND TO MAKE A TECHNICAL CORRECTION.
9

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

11 SECTION 1. That Section 63-704, Idaho Code, be, and the same is hereby
12 amended to read as follows:

13 63-704. AMOUNT OF PROPERTY TAX REDUCTION. (1) Each claimant qualify-
14 ing for and applying for a reduction in property taxes under the provisions
15 of sections 63-701 through 63-710, Idaho Code, shall be allowed a reduction
16 in property taxes on his homestead for the current year only, in the amounts
17 provided by subsection (4) of this section.

18 (2) All property taxes continue to be the responsibility of the in-
19 dividual taxpayer, and all property taxes continue to be perpetual liens
20 against the property against which assessed, and all property taxes may be
21 collected and enforced in the usual manner, if the taxpayer does not receive
22 any property tax reduction as provided under sections 63-701 through 63-710,
23 Idaho Code, or if the taxpayer receives less property tax reduction than the
24 whole amount of property taxes he is charged with.

25 (3) The claimant property owner's property tax reduction shall be based
26 upon the current year's assessed value and the current year's levy.

27 (4) Property tax reductions qualified under sections 63-701 through
28 63-710, Idaho Code, shall be allowed as set out in section 2, chapter 59, laws
29 of 1992, and adjusted for cost-of-living fluctuations as provided in section
30 63-705, Idaho Code.

31 (5) A claimant who is a veteran with a service-connected disability of
32 one hundred percent (100%) shall also be eligible for a special property tax
33 reduction, as provided in section 63-705A, Idaho Code.

34 SECTION 2. That Chapter 7, Title 63, Idaho Code, be, and the same is
35 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
36 ignated as Section 63-705A, Idaho Code, and to read as follows:

37 63-705A. SPECIAL PROPERTY TAX REDUCTION FOR DISABLED VETER-
38 ANS. (1) For tax year 2019 and thereafter, regardless of any reduction re-
39 ceived under section 63-705, Idaho Code, a veteran with a service-connected
40 disability of one hundred percent (100%) shall receive a special reduction

1 in property taxes levied on his homestead, as defined in section 63-701,
 2 Idaho Code. The special property tax reduction shall be in the amount of
 3 one thousand three hundred twenty dollars (\$1,320) or for the amount of the
 4 veteran's actual property taxes, whichever is less. If a veteran qualifies
 5 for property tax reduction under both this section and section 63-705, Idaho
 6 Code, the combined property tax reduction amount may not exceed the actual
 7 amount of the veteran's property taxes on his homestead.

8 (2) An applicant for a special property tax reduction under this sec-
 9 tion shall comply with all procedural requirements set forth in sections
 10 63-701 through 63-710, Idaho Code, with the exception of any income documen-
 11 tation.

12 (3) In the event that a qualified veteran applies for the special prop-
 13 erty tax reduction in this section but then dies, the veteran's surviving
 14 spouse is entitled to receive the special property tax reduction in that year
 15 and subsequent years, until such time as the surviving spouse remarries,
 16 dies, or no longer has property tax levied on the homestead.

17 SECTION 3. That Section 63-707, Idaho Code, be, and the same is hereby
 18 amended to read as follows:

19 63-707. PROCEDURE AFTER CLAIM APPROVAL. (1) The county assessor shall
 20 prepare a property tax reduction roll, which shall be in addition to the
 21 property roll, the subsequent property roll and missed property rolls, which
 22 property tax reduction roll shall show:

23 (a) The name of the taxpayer;

24 (b) The description of the property for which a reduction in property
 25 taxes is claimed, suitably detailed to meet the requirements of the in-
 26 dividual county;

27 (c) The assessor's best estimate of current market value, and any pro-
 28 rated net taxable value of the eligible portion of the property's cur-
 29 rent market value for assessment purposes; ~~and~~

30 (d) The amount of tax reduction for which the applicant is eligible as
 31 determined by the income of the claimant and, if married, the claimant's
 32 spouse, pursuant to sections 63-704 and 63-705, Idaho Code; and

33 (e) The amount of tax reduction for which a disabled veteran homeowner
 34 is eligible, pursuant to section 63-705A, Idaho Code.

35 (2) As soon as possible, but in any event by no later than June 1, the
 36 property tax reduction roll shall be certified to the county auditor and to
 37 the state tax commission in the manner prescribed by rules promulgated by the
 38 state tax commission. The property tax reduction roll shall be accompanied
 39 by a copy of the claim forms.

40 (3) (a) As soon as possible, but in any event by no later than the fourth
 41 Monday of October, the county auditor shall complete the property tax
 42 reduction roll by adding the following information:

43 (i) The current year's levy for the code area in which the prop-
 44 erty is situated;

45 (ii) The amount of property tax reduction claimed based on the
 46 current year's market value for assessment purposes and the cur-
 47 rent year's levy; and

48 (iii) The current year's market value for assessment purposes.

1 (b) As soon as possible, but in any event no later than the fourth Monday
2 of October, the county auditor shall certify the completed property tax
3 reduction roll to the state tax commission in the manner prescribed by
4 rules promulgated by the state tax commission.

5 (4) The state tax commission shall determine the total number of claims
6 to be allowed in each county, the dollar amount of each claim allowed, and the
7 total dollar amount for all claims for each county. These amounts shall be
8 certified to the county auditor and tax collector by the state tax commission
9 by no later than the third Monday in November.

10 (5) The state tax commission may audit each and every claim submitted to
11 it, and, any other provision of law notwithstanding, may utilize income tax
12 returns filed by the claimant or by the claimant's spouse to determine the
13 income of the claimant or the claimant's spouse.

14 (6) If it is determined by the state tax commission that a claim is erro-
15 neous, the tax commission shall disapprove so much of the claim as necessary
16 in order to conform with statutory standards. The tax commission shall pro-
17 vide the claimant, or the person or entity acting on behalf of the claimant,
18 written notice of the tax commission's intent to disapprove all or a portion
19 of the claim. The claimant, or the person or entity acting on behalf of the
20 claimant, shall have twenty-eight (28) days to make written protest to the
21 tax commission of the intended action. The claimant, or the person or en-
22 tity acting on behalf of the claimant, may submit additional information and
23 may request an informal hearing with the commission. If the claimant, or
24 the person or entity acting on behalf of the claimant, fails to make writ-
25 ten protest within twenty-eight (28) days, the tax commission shall provide
26 written notice of disapproval to the claimant, or the person or entity acting
27 on behalf of the claimant, by the second Monday of October and to the county
28 auditor of the county from which the claim was received. Any claimant, or
29 person or entity acting on behalf of the claimant, whose claim is disapproved
30 in whole or in part by the state tax commission may:

31 (a) File a claim with the county commissioners for a special cancella-
32 tion pursuant to section 63-711, Idaho Code;

33 (b) Appeal such disapproval by the state tax commission to the board of
34 tax appeals or to the district court of the county of residence of the
35 taxpayer within thirty (30) days.