

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 591

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1 RELATING TO TAX EXEMPTIONS FOR NEW CAPITAL INVESTMENTS; AMENDING SECTION
2 63-4502, IDAHO CODE, TO REVISE DEFINITIONS OF "QUALIFYING NEW INVEST-
3 MENT," "QUALIFYING PERIOD" AND "PROJECT SITE," TO PROVIDE APPLICATION
4 TO OPERATING PROPERTY AND TO MAKE TECHNICAL CORRECTIONS.
5

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

7 SECTION 1. That Section 63-4502, Idaho Code, be, and the same is hereby
8 amended to read as follows:

9 63-4502. TAX EXEMPTION FOR NEW CAPITAL INVESTMENTS. (1) For calendar
10 years beginning on or after January 1, 2008, the net taxable value of all
11 property of a taxpayer, whether acquired before, during or after the qual-
12 ifying period, in excess of four hundred million dollars (\$400,000,000) lo-
13 cated within a single county in Idaho shall be exempt from property taxation
14 and any special assessment, but only if the taxpayer makes a qualifying new
15 capital investment as defined in subsection (2) of this section.

16 (2) For purposes of this section, the following definitions shall ap-
17 ply:

18 (a) "Qualifying new capital investment" means an investment of at least
19 one billion dollars (\$1,000,000,000) made during the qualifying period
20 by the acquisition, construction, improvement or installation of real,
21 operating or personal property related to new plant and building facil-
22 ities at a project site located within the county referred to in subsec-
23 tion (1) of this section.

24 (b) "New plant and building facilities" means:

25 (i) Qualified investments as defined in section 63-3029B, Idaho
26 Code; or

27 (ii) Buildings or structural components of buildings, includ-
28 ing equipment, materials and fixtures thereof, whether used at a
29 project site or temporarily stored off-site in the county referred
30 to in subsection (1) of this section and intended for use at a
31 project site.

32 (c) "Qualifying period" means an eighty-four (84) month period of time
33 beginning ~~at~~ with the first inspection of the issuance of a building
34 permit for a permanent building structure at a project site following
35 ~~issuance of the building permit, but in no case earlier than January 1,~~
36 ~~2008,~~ and ending no later than eighty-four (84) ~~full months after such~~
37 ~~inspection takes place thereafter.~~

38 (d) "Project site" means an area or areas at which the new plant and
39 building facilities described in subsection (2) (b) of this section are
40 built, installed or constructed.

41 (3) The property included in the calculation for purposes of determin-
42 ing a qualifying new capital investment value shall include all real or op-

1 erating property owned, and all personal property owned, leased or rented.
2 With respect to leased or rented personal property, only that portion of the
3 property for which a taxpayer is contractually liable for payment of prop-
4 erty taxes thereon, shall be included in the calculation of the investment.

5 (4) Notwithstanding the exemption provided in subsection (4) of sec-
6 tion 63-3029B, Idaho Code, no other exemption from property tax or any spe-
7 cial assessment provided by the statutes of this state shall be applicable
8 to any property described in subsection (2) of this section with respect to a
9 year in which the incentives set forth in subsection (1) of this section ap-
10 ply to any of the same property.

11 (5) Property subject to the provisions of this section shall not be
12 included on any property roll or any new construction roll prepared by the
13 county assessor in accordance with section 63-301 or 63-301A, Idaho Code,
14 respectively.

15 (6) The state tax commission shall adopt all rules that may be necessary
16 to implement the provisions of this section.