

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 594, As Amended in the Senate

BY REVENUE AND TAXATION COMMITTEE

AN ACT

RELATING TO PROPERTY EXEMPT FROM TAXATION; AMENDING SECTION 63-602EE, IDAHO CODE, TO REVISE THE DEFINITION OF "AGRICULTURAL MACHINERY AND EQUIPMENT"; REPEALING SECTION 63-602EE, IDAHO CODE, RELATING TO CERTAIN TANGIBLE PERSONAL PROPERTY EXEMPT FROM TAXATION; AMENDING CHAPTER 6, TITLE 63, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 63-602EE, IDAHO CODE, TO PROVIDE THAT CERTAIN TANGIBLE PERSONAL PROPERTY IS EXEMPT FROM TAXATION; AND DECLARING AN EMERGENCY, PROVIDING RETROACTIVE APPLICATION AND PROVIDING EFFECTIVE DATES.

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

SECTION 1. That Section 63-602EE, Idaho Code, be, and the same is hereby amended to read as follows:

63-602EE. PROPERTY EXEMPT FROM TAXATION -- CERTAIN TANGIBLE PERSONAL PROPERTY. The following property is exempt from taxation: class 2 property that is agricultural machinery and equipment and exclusively used in agriculture during the immediately preceding tax year. For purposes of this section:

(1) "Agricultural machinery and equipment" shall mean any machinery and equipment that is used in:

(a) Production of field crops including, but not limited to, grains, feed crops, fruits and vegetables or the production of or caring for nursery stock as defined in section 22-2302, Idaho Code; ~~or~~

(b) Production of hop crops including, but not limited to, stationary picking machines, drying kilns, fans and burners, conveyors and other equipment to move hop crops and baling equipment; hop crops including, but not limited to, rhizomes, bines, leaves, stems and cones; or

(c) The grazing, feeding or raising of livestock, fur-bearing animals, fish, fowl and bees to be sold or used as part of a net profit-making agricultural enterprise or dairy.

(2) Buildings shall not be considered to be agricultural machinery and equipment.

SECTION 2. That Section 63-602EE, Idaho Code, be, and the same is hereby repealed.

SECTION 3. That Chapter 6, Title 63, Idaho Code, be, and the same is hereby amended by the addition thereto of a NEW SECTION, to be known and designated as Section 63-602EE, Idaho Code, and to read as follows:

63-602EE. PROPERTY EXEMPT FROM TAXATION -- CERTAIN TANGIBLE PERSONAL PROPERTY. The following property is exempt from taxation: class 2 property that is agricultural machinery and equipment and exclusively used in agri-

1 culture during the immediately preceding tax year. For purposes of this sec-
2 tion:

3 (1) "Agricultural machinery and equipment" shall mean any machinery
4 and equipment that is used in:

5 (a) Production of field crops including, but not limited to, grains,
6 feed crops, fruits and vegetables or the production of or caring for
7 nursery stock as defined in section 22-2302, Idaho Code; or

8 (b) The grazing, feeding or raising of livestock, fur-bearing animals,
9 fish, fowl and bees to be sold or used as part of a net profit-making
10 agricultural enterprise or dairy.

11 (2) Buildings shall not be considered to be agricultural machinery and
12 equipment.

13 SECTION 4. An emergency existing therefor, which emergency is hereby
14 declared to exist, Section 1 of this act shall be in full force and effect on
15 and after passage and approval, and retroactively to January 1, 2018. Sec-
16 tions 2 and 3 of this act shall be in full force and effect on and after Jan-
17 uary 1, 2020.