

Idaho Property Taxes

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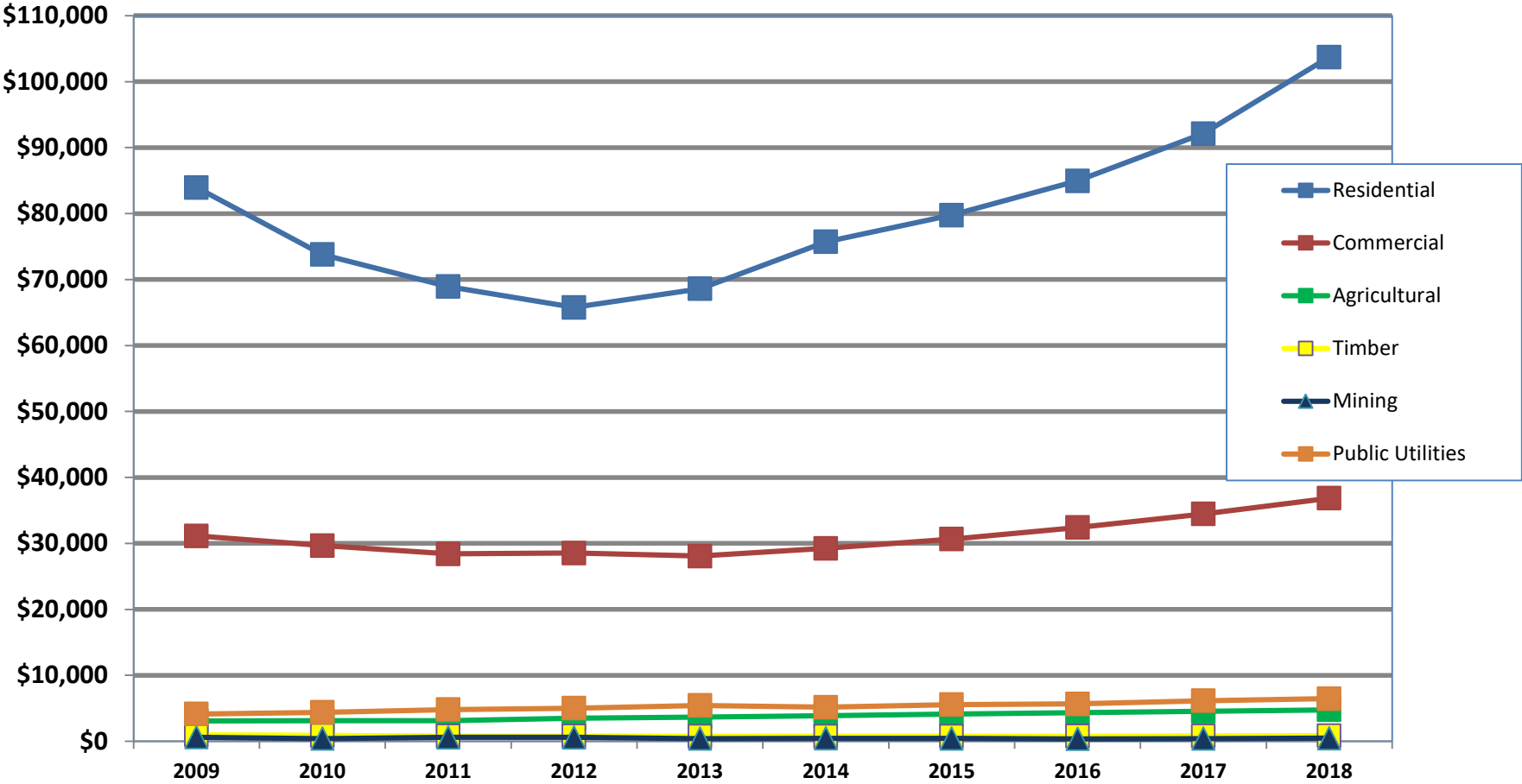
Idaho Property Tax Essentials

- Current **Market Value**: \$249.6 Billion in 2019
- All property assessed annually
- Current **Net Taxable Value**: **\$175.3 Billion in 2019**
 - *\$153.2 Billion in 2018*
- Net Taxable Value is the value used in the levy rate calculation

Property Tax Essentials

- Property Tax is levied on real and business personal property
 - First \$100,000 PP exempt per company per county
- Property Tax is generated and used locally
- 2019 Total property tax to local units of government:
 - **\$2.035 Billion - 6.5% increase over 2018 or \$125 Million**
- Urban renewal agencies: **\$73.5 Million (2018)**

Net Taxable Value Changes by Major Property Category



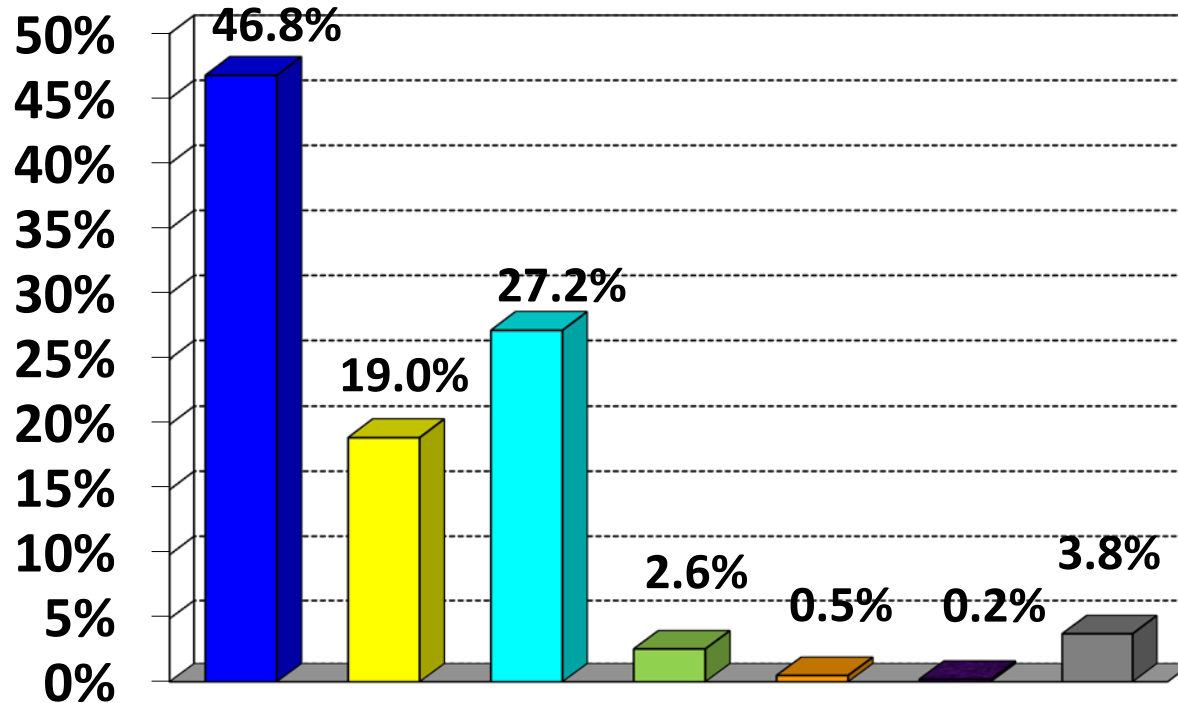
Primary Residential Property – Owner Occupied

- Subset of residential category as a whole
- 2018:
 - Largest share of property value in Idaho at **45.2%**
 - Total Net Taxable Value (minus homeowner's exemption) increased **13.4%** from 2017 to 2018
 - Excluding new construction - existing homes increased in *value* about **10.6%** from 2017 to 2018
 - *Taxes* on existing homes increased by **6.1%**

Increases in Existing Property Values & Taxes: 2017 – 2018

<u>Category of Property</u>	<u>Overall Percent change in Value</u>	<u>Existing Property Value % Change</u>	<u>Existing Property Tax % Change</u>
Primary Residential (eligible for homeowner's exemption)	+ 13.4%	+ 10.6%	+ 6.1%
Other Residential	+ 11.1%	+ 9.1%	+ 5.4%
Commercial and Industrial	+ 7.0%	+ 4.0%	+ 0.2%

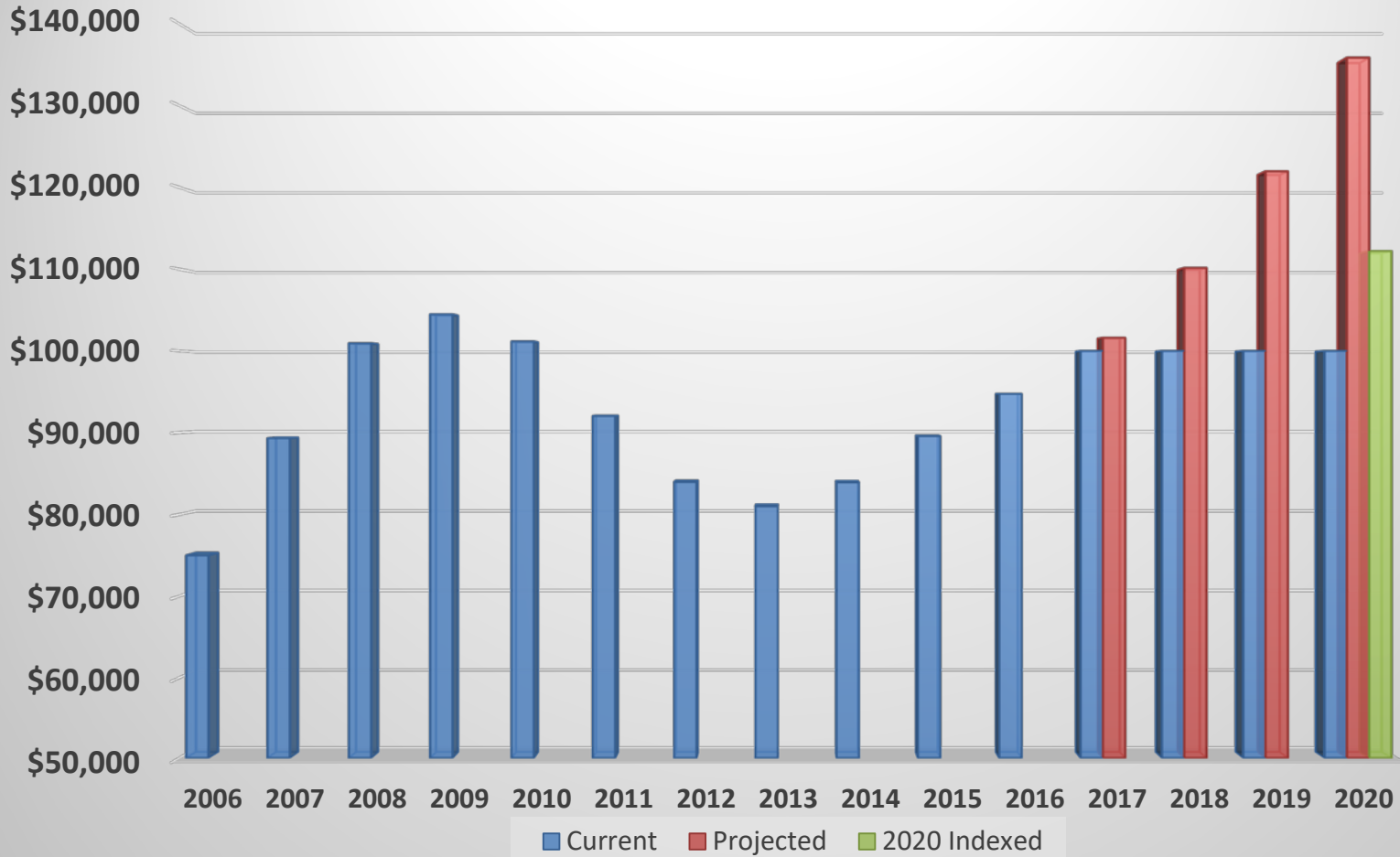
Who Paid the Property Tax in 2018?



■ Owner occupied residential
■ Commercial / Industrial
■ Timber
■ Operating (Utilities)

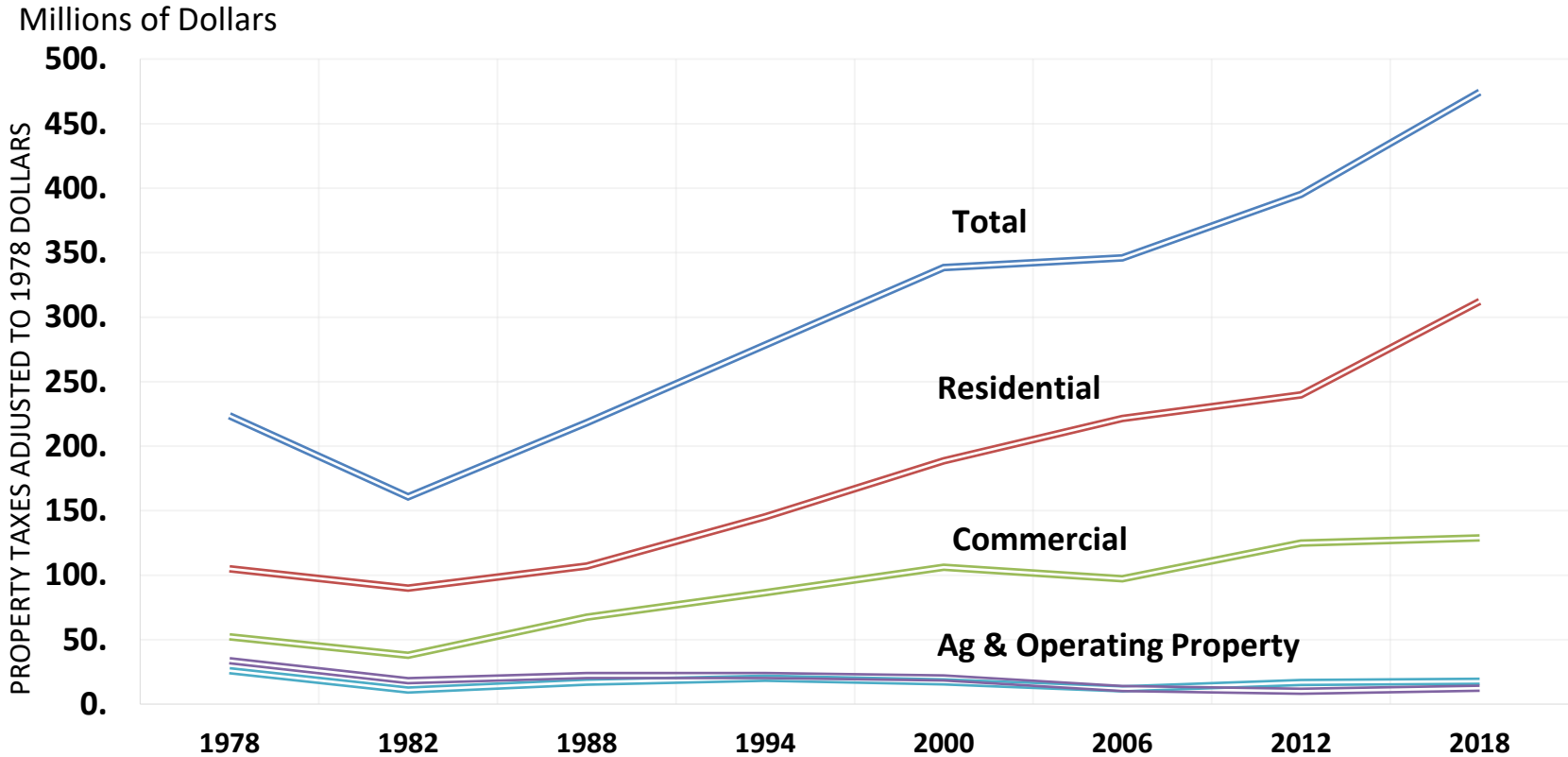
■ Non-owner occupied residential
■ Agricultural
■ Mining

Maximum Homeowner's Exemption



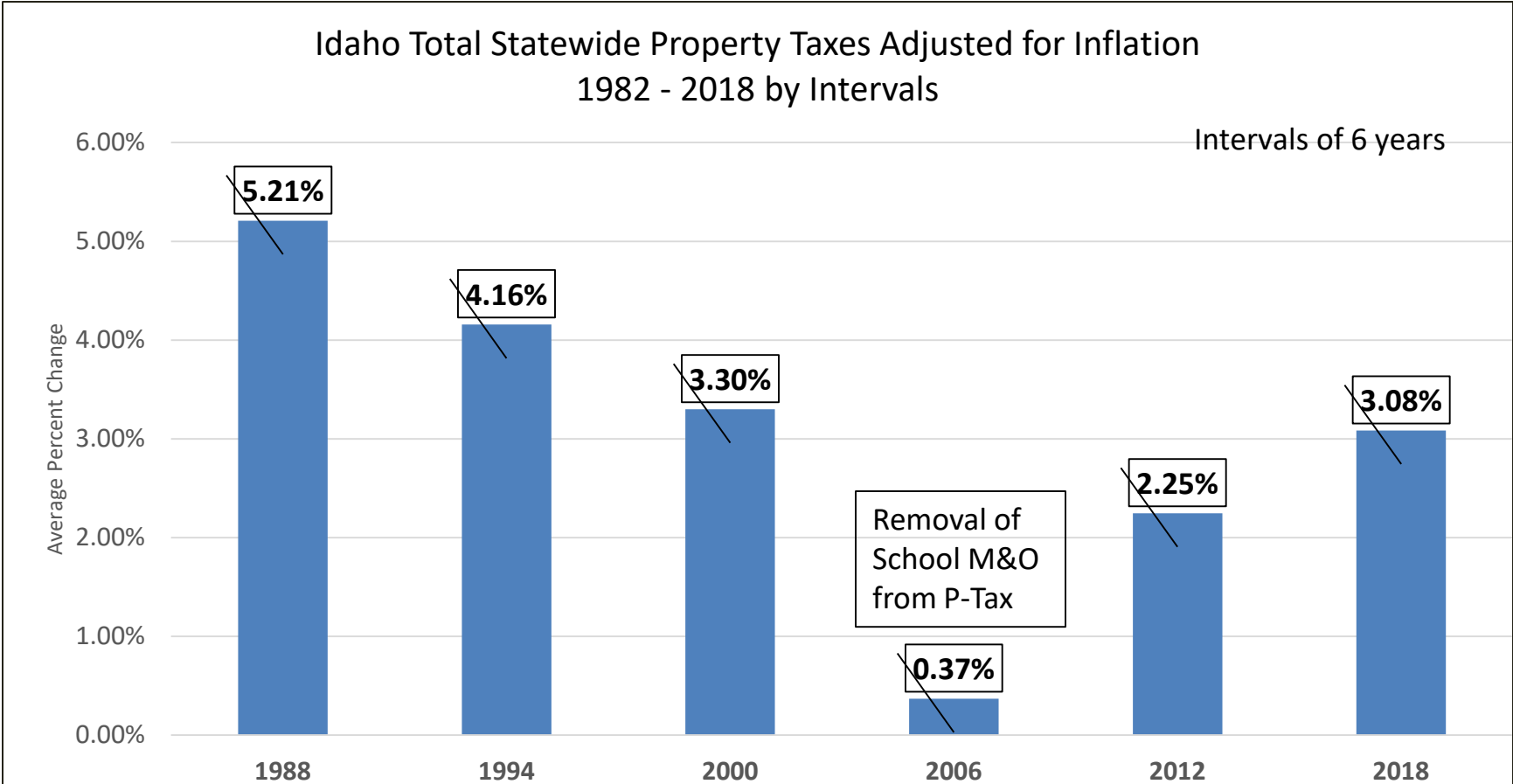
Idaho Total Statewide Property Taxes by Major Categories

Adjusted for Inflation 1978 - 2018 by Intervals

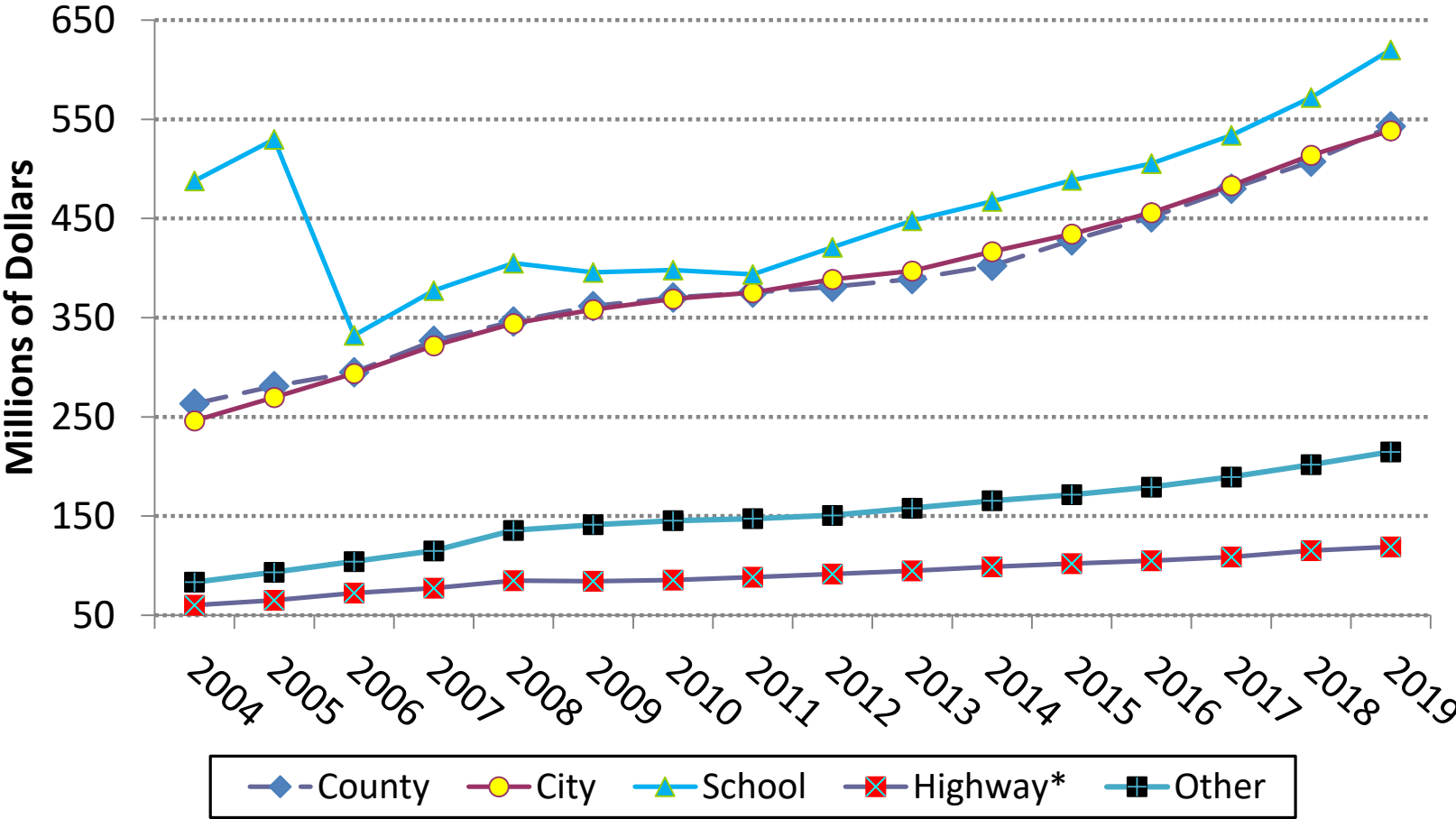


Intervals of 6 years except period of 1978 - 1982 which is a 4-year period.

Idaho Rate of Change of Property Taxes Adjusted for Inflation 1982 - 2018 by Intervals

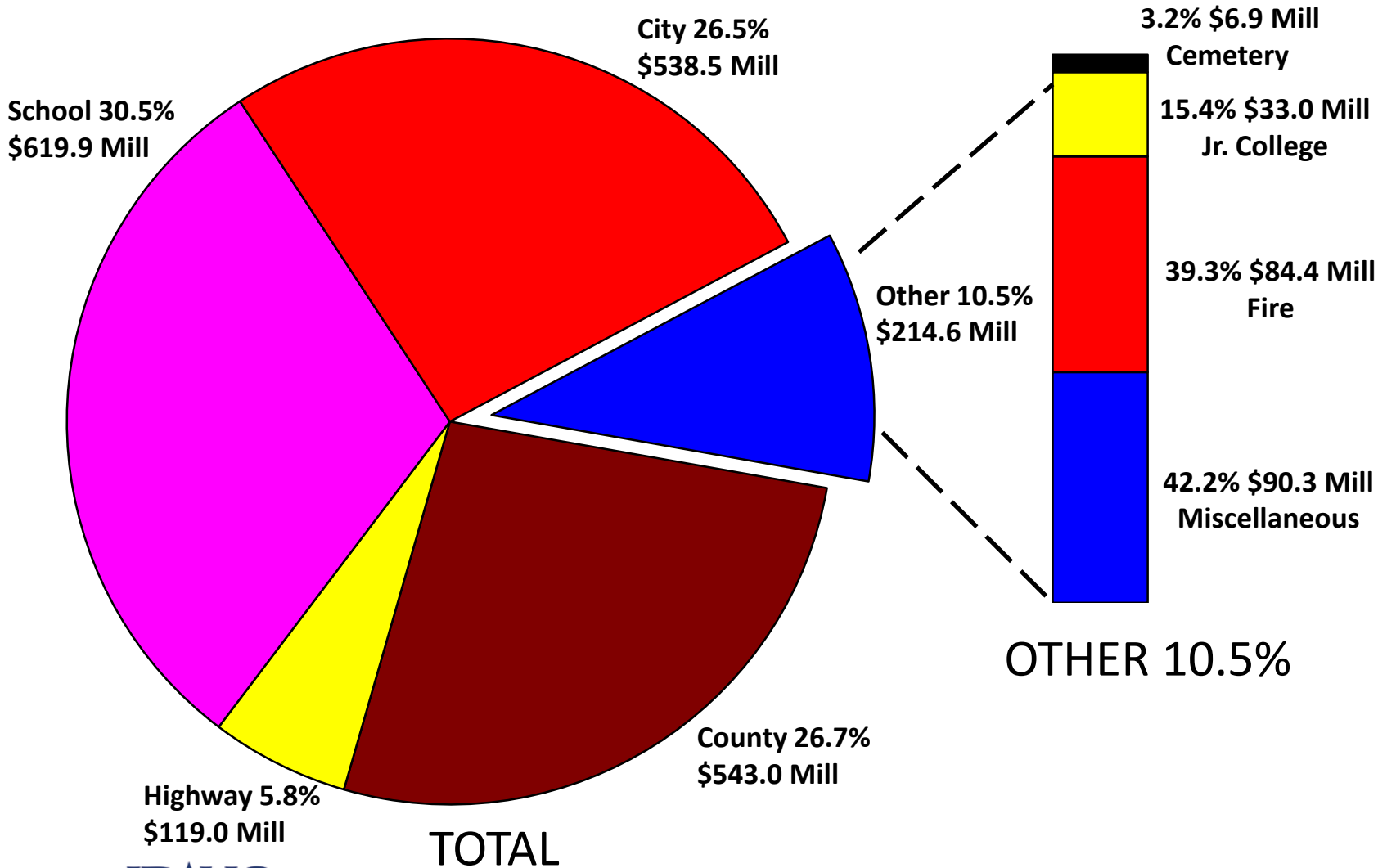


Property Tax Growth by District Type



* Highway district totals include county road and bridge funds.

2019 Property Tax Use



How Do Property Tax Budget Limits Work?

- Apply only to property taxes used for **Non-Exempt Funds** (mostly general operations)
- Permit increases in property tax \$:
 - Up to 3% over highest of last three years
 - Plus a calculation for new construction value and annexation
 - Plus forgone amount (i.e.: amount of previously allowable increases not taken)
- Allowed only if result does not create levy rate that exceeds statutory limit
- Exempt Funds – No 3% cap – Usually voter approved

Levy Rate Calculation

Cemetery District

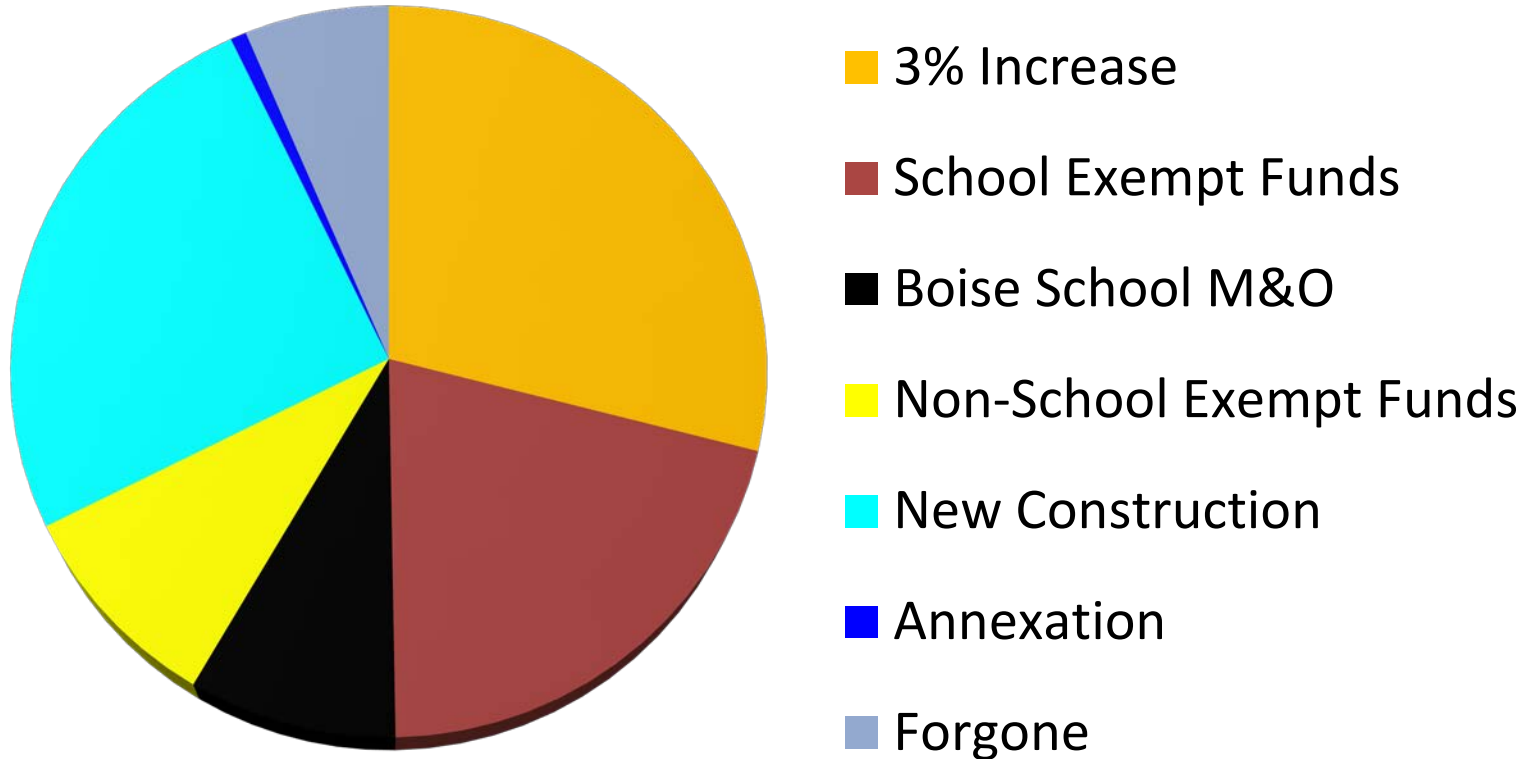
- 2019 Total Approved Budget \$49,380
 - Minus Other Revenue \$27,380
 - **Total requiring P-Tax** **\$22,000** (Property Tax Portion of District's Budget)
-

Levy Rate: $\frac{\$22,000}{\$188 \text{ Million (Net Taxable Value)}} = 0.000117021$

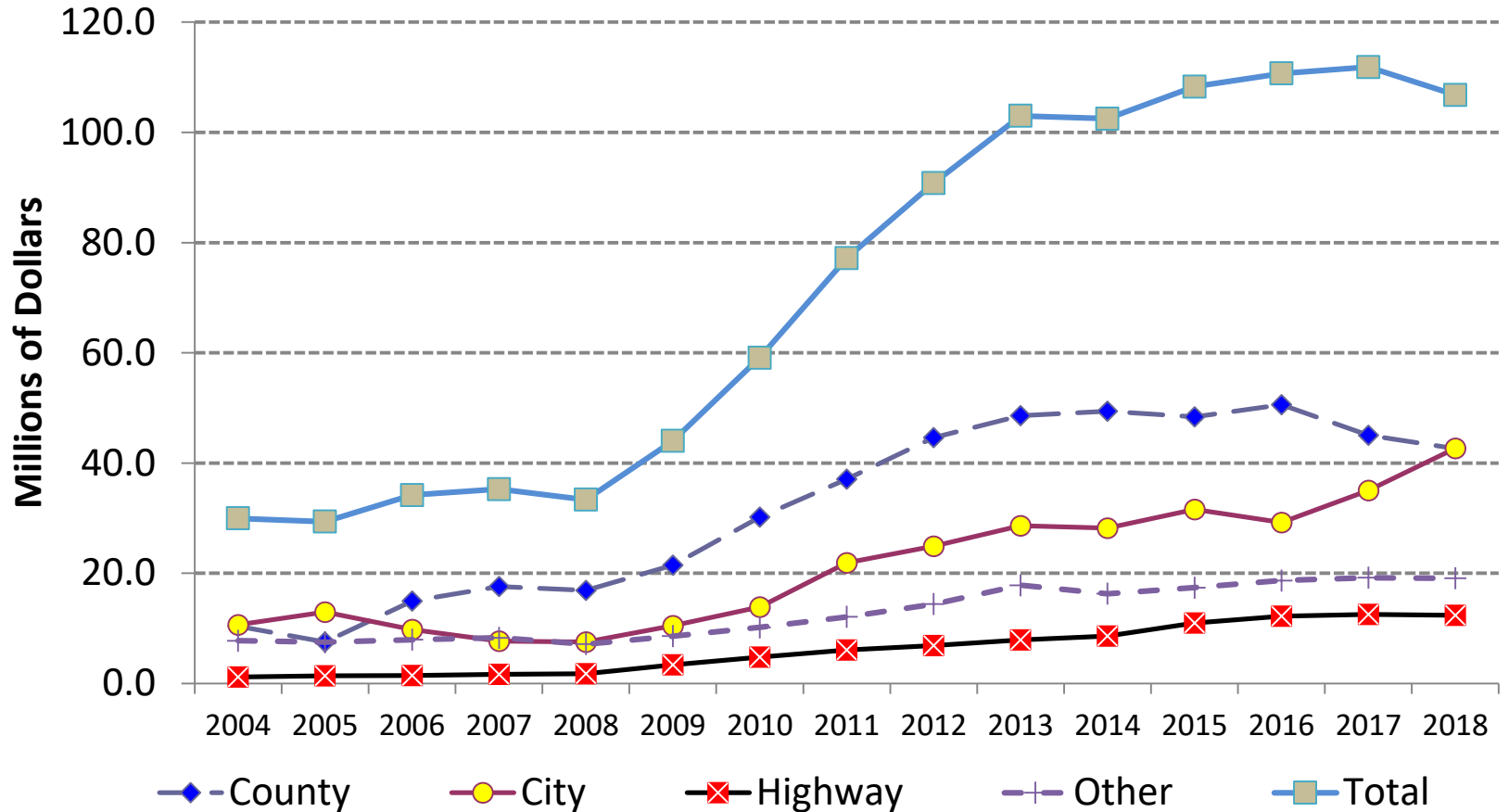
Cemetery District's Statutory Levy Limit: 0.0004

Causes of Budgeted Property Tax Increases 2017 – 2018

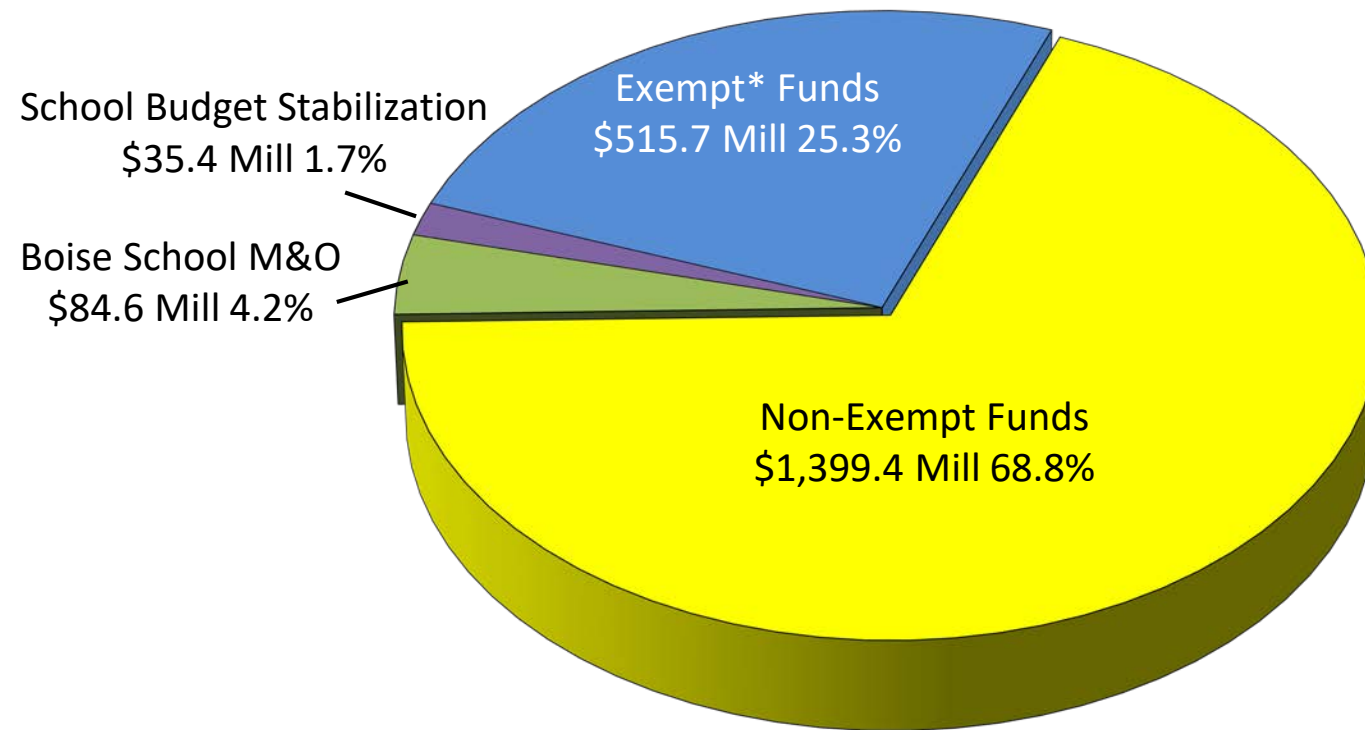
Increase of 6.4% in 2018, or \$114.4 Million



Forgone Amounts - 2018



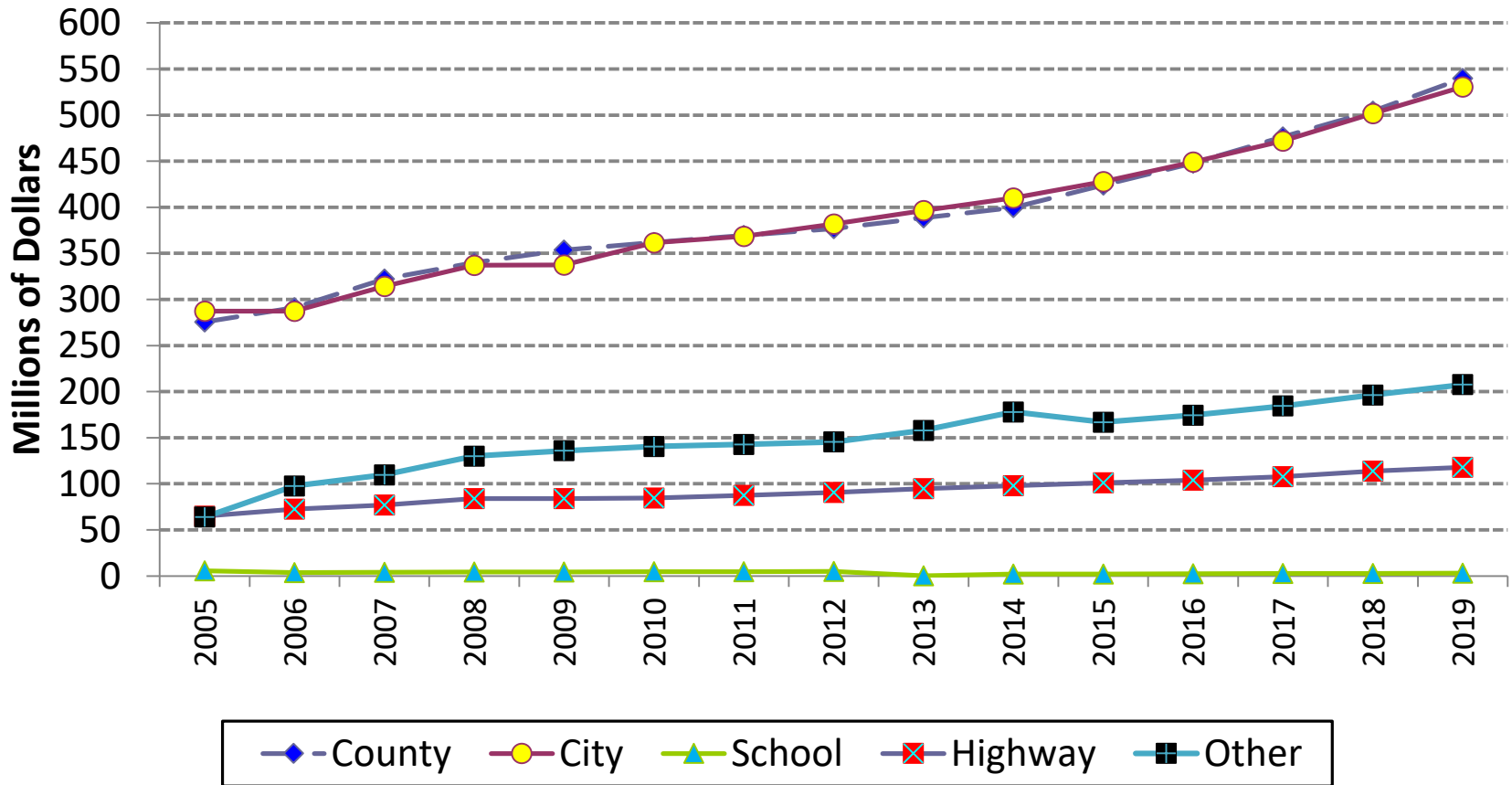
2019 Property Taxes Exempt* vs. Non-Exempt



Exempt funds usually voter approved, such as **bonds and overrides**.

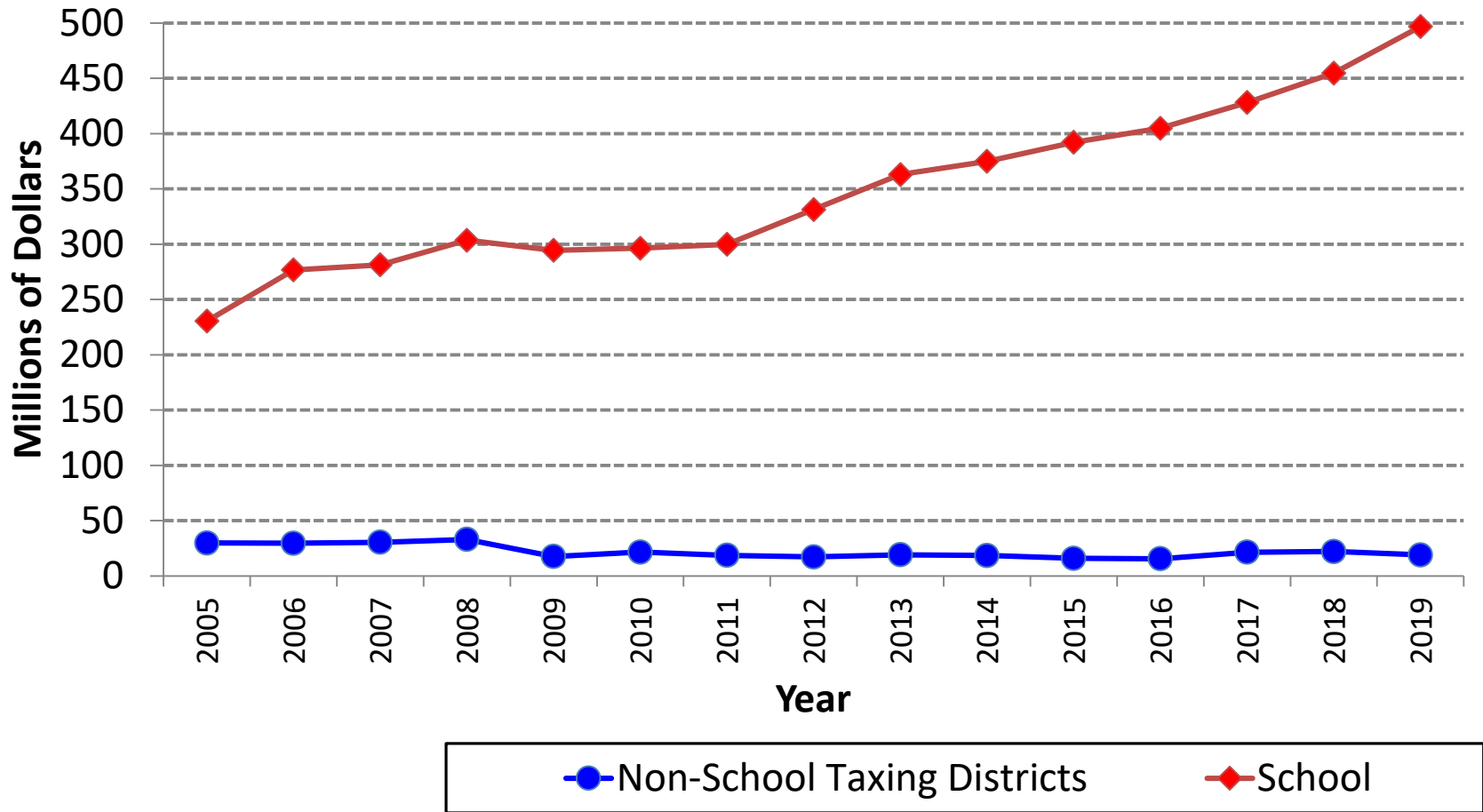
Non-Exempt funds are general operating funds.

Non-Exempt Property Tax Funds Generally Grow Uniformly



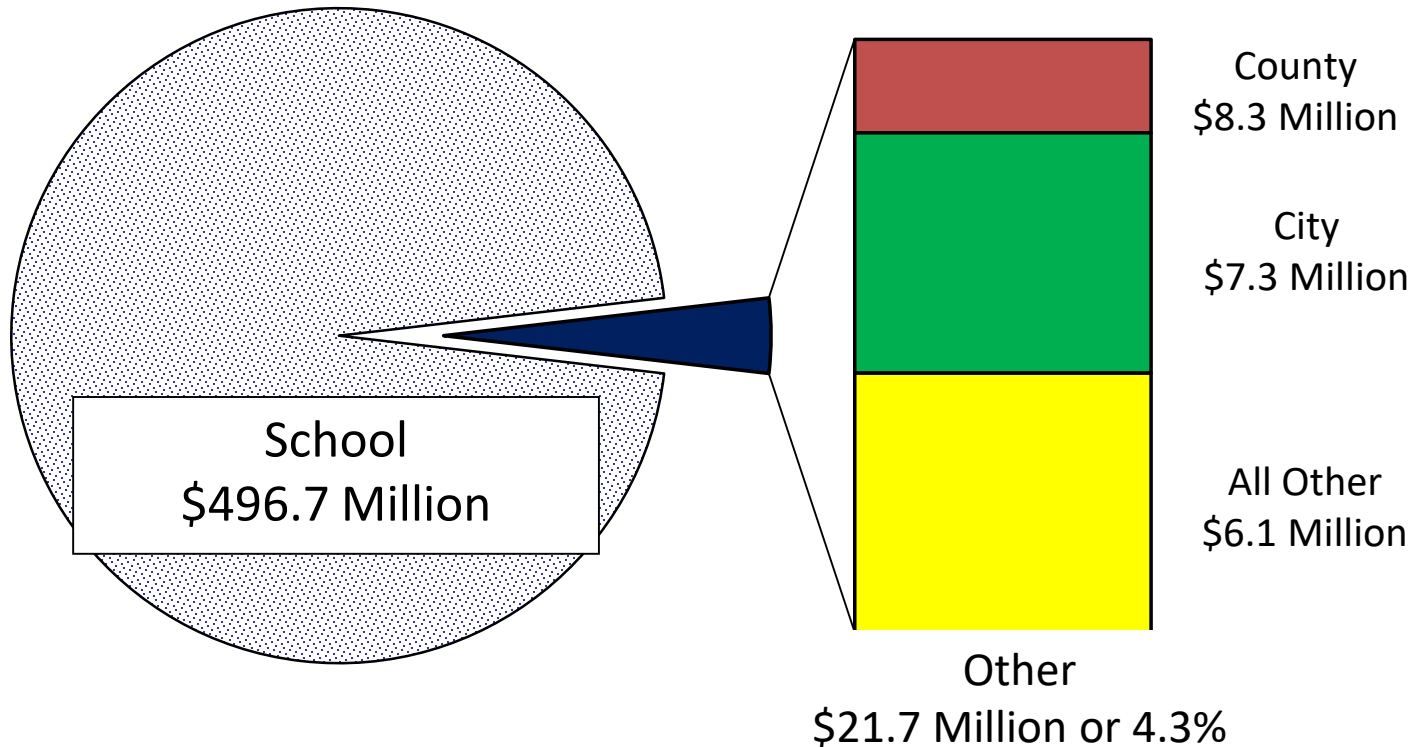
School Funds do not include Boise M&O and Budget Stabilization Funds.

Patterns of Use of Exempt Funds



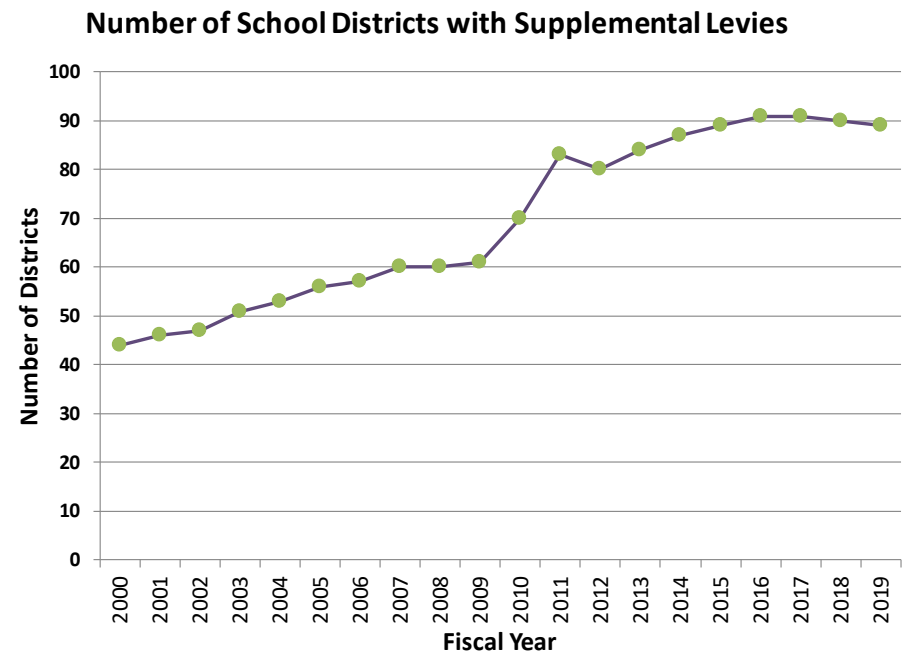
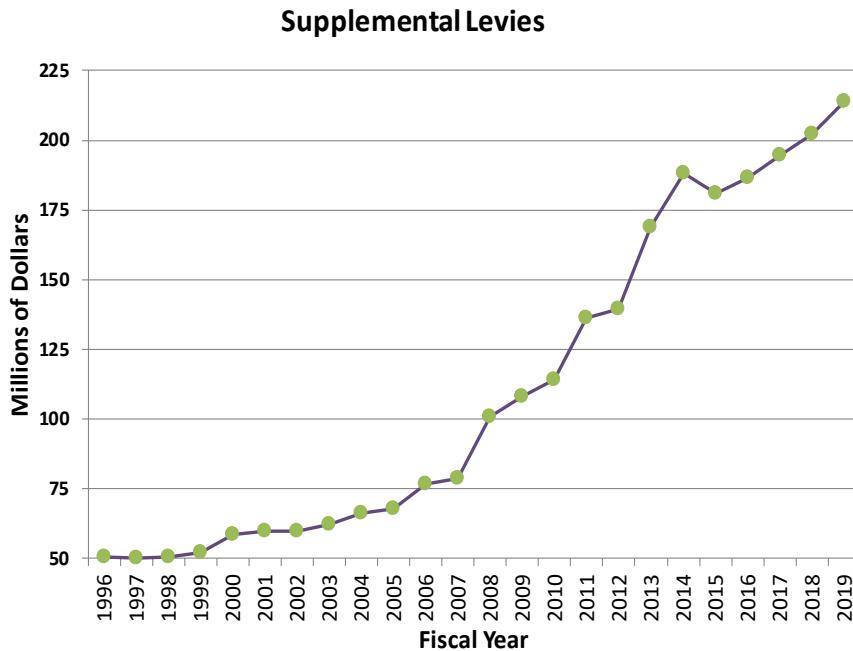
Schools Are the Predominant Users of Exempt Funds (bonds, overrides, etc.)

2019 Exempt Funds



School Supplemental Levies

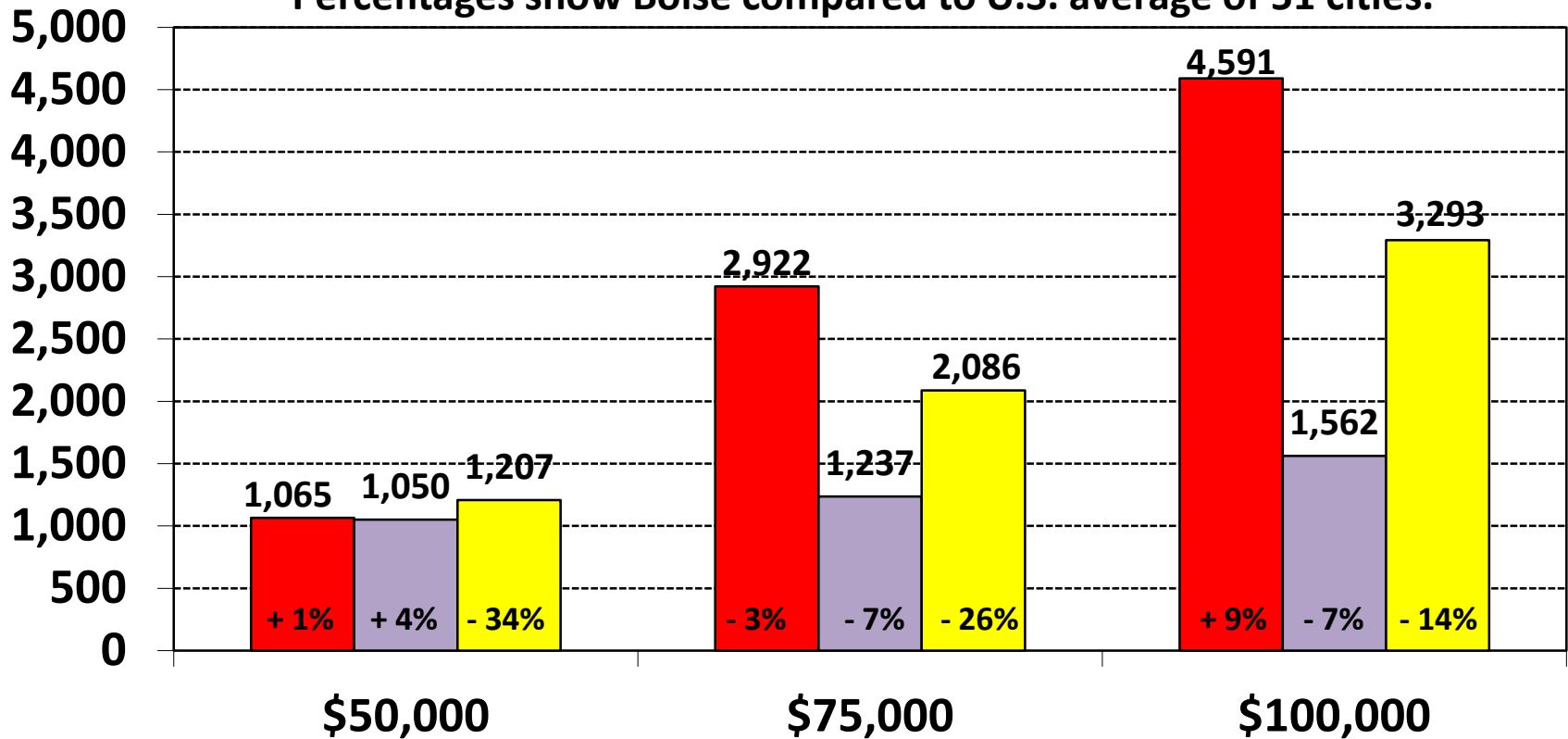
- Most voter approved for 1-2 years (may be longer for charter school districts and permanent for some school districts)



Estimated 2017 Taxes

Per Family of three - various incomes

Percentages show Boise compared to U.S. average of 51 cities.



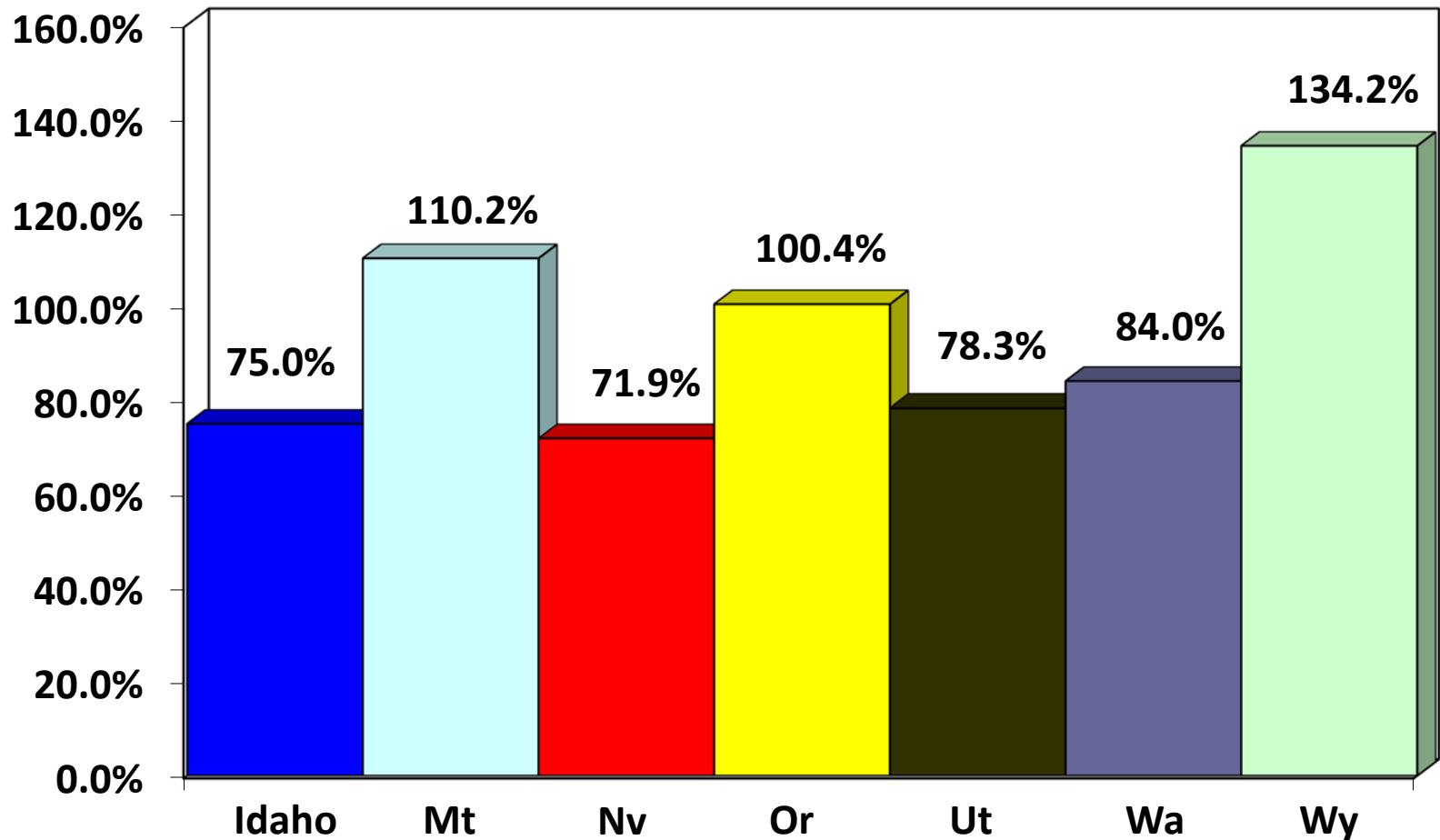
Estimates for Boise, based on District of Columbia studies of largest cities in each state.

\$ Income



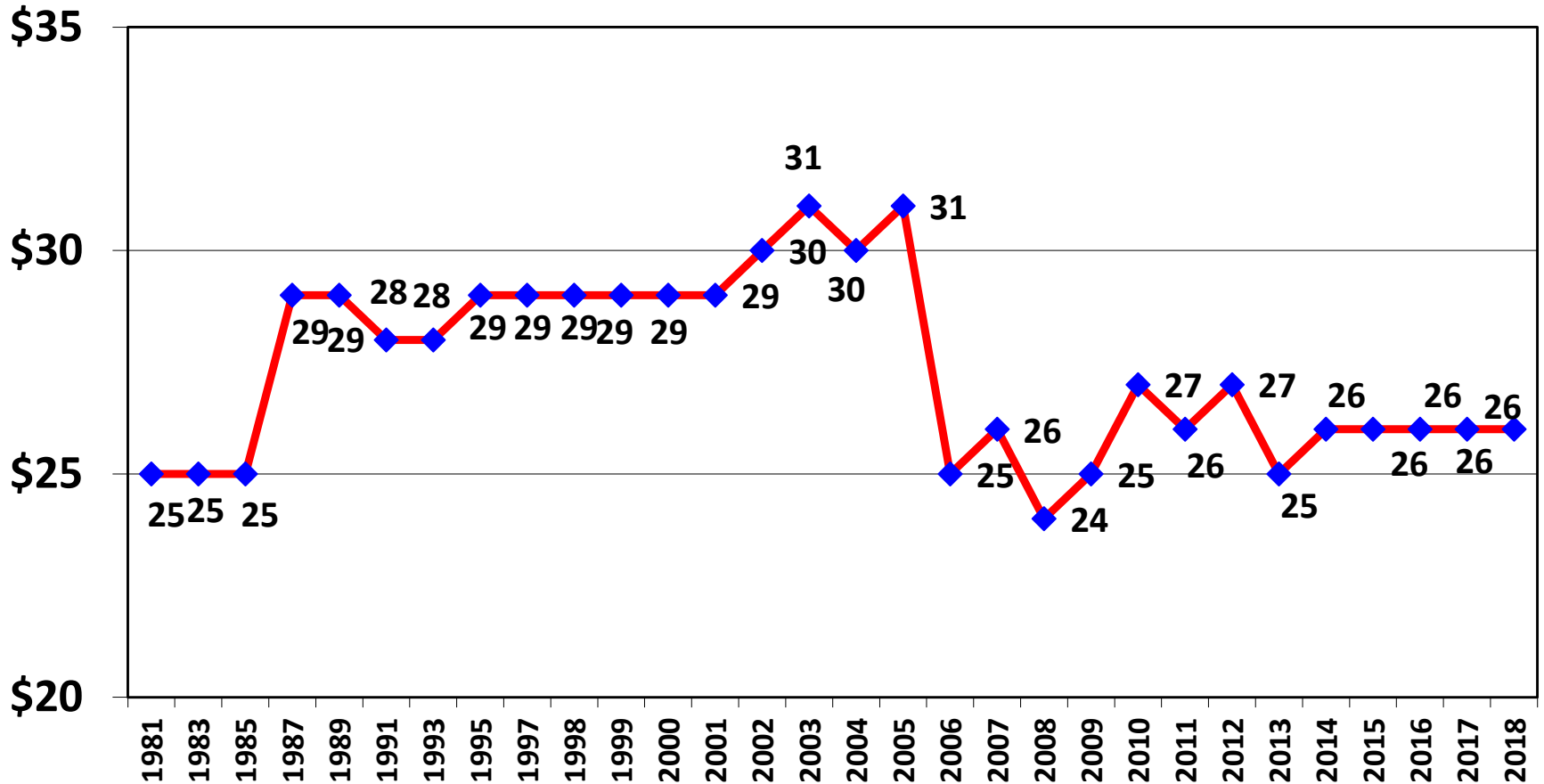
FY 2016 Property Tax Burden

Idaho vs. Neighbor States – Idaho Ranked 38th



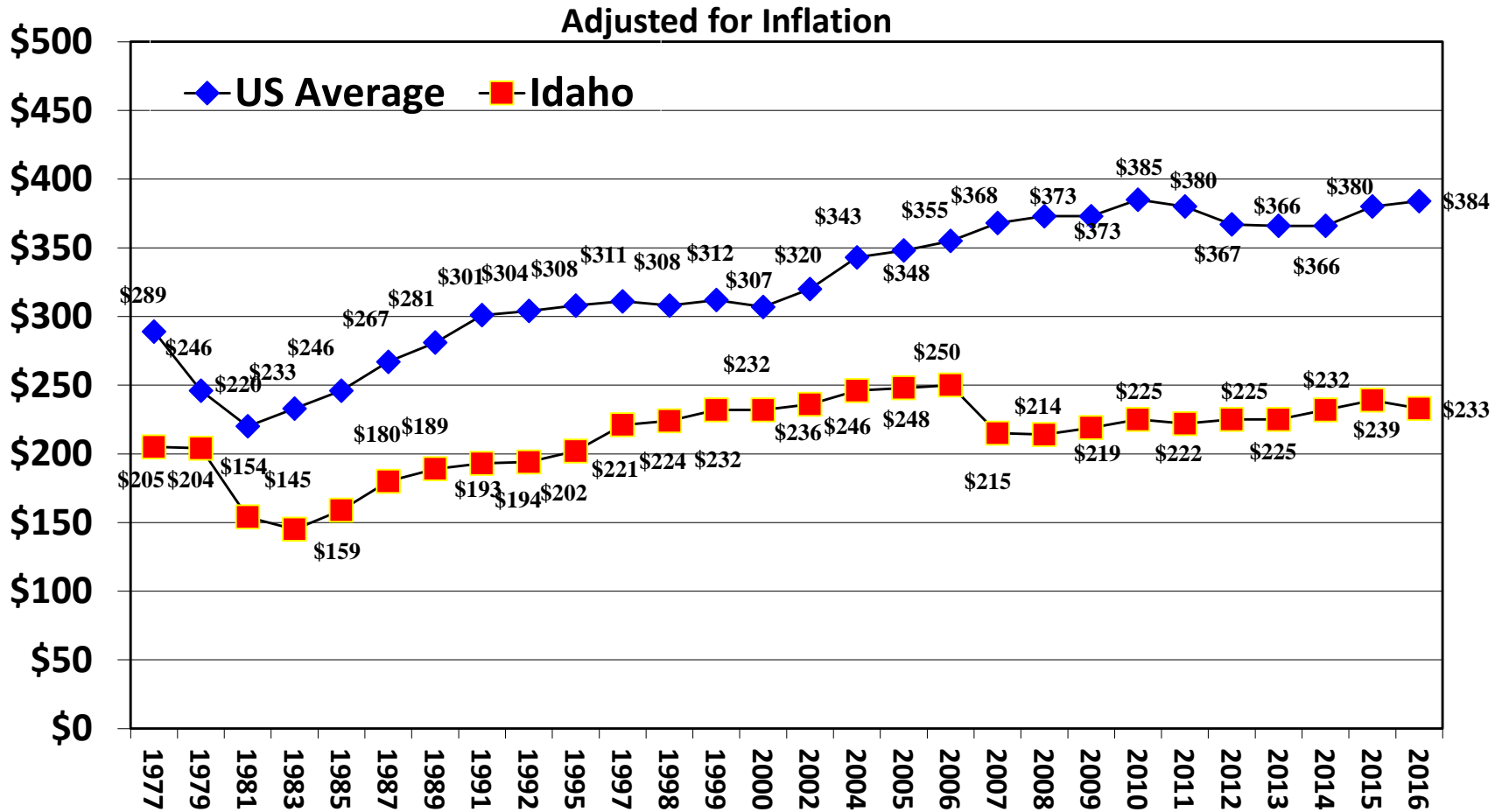
Based on taxes compared to income.

Idaho Property Tax Per \$1,000 Personal Income



Per Capita Property Taxes

Idaho vs U.S. – Idaho Ranked 42nd



Based on U.S. Census Information
 Amounts adjusted to January 1977

State Aided Property Tax Relief

- Property Tax Deferral
 - Must apply annually with county assessor by April 15
 - Over age 65, disabled, widows, and widowers
 - Income up to \$45,756 - 2020
 - No reverse mortgage, home equity line of credit
 - Taxes and interest must eventually be repaid to the state of Idaho
- 100% Service-Connected Disabled Veterans Program
 - 2019 - \$1,320 credit for 100% service-connected disabled veterans
 - Occupancy tax is eligible
 - No income limit
- Circuit Breaker (Property Tax Reduction Program)

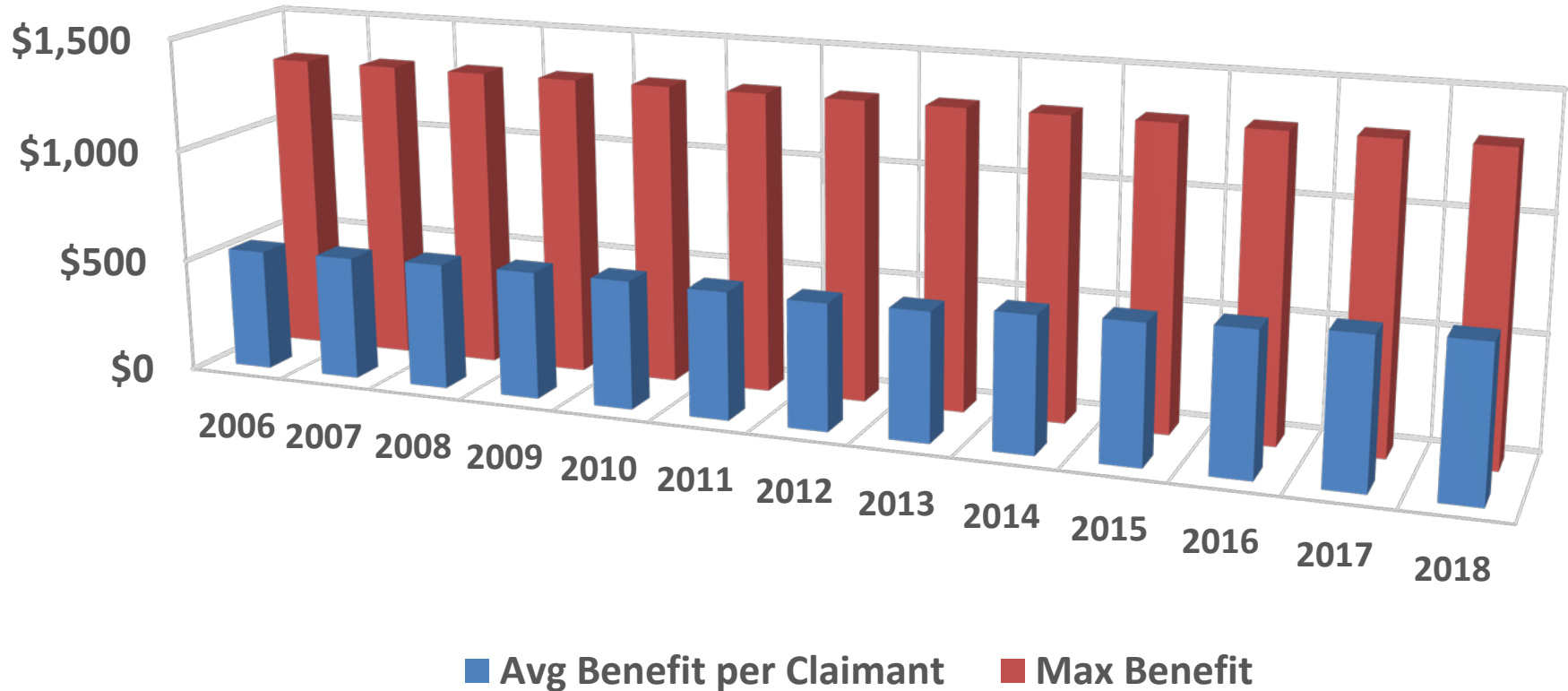
Circuit Breaker

(Property Tax Reduction Program)

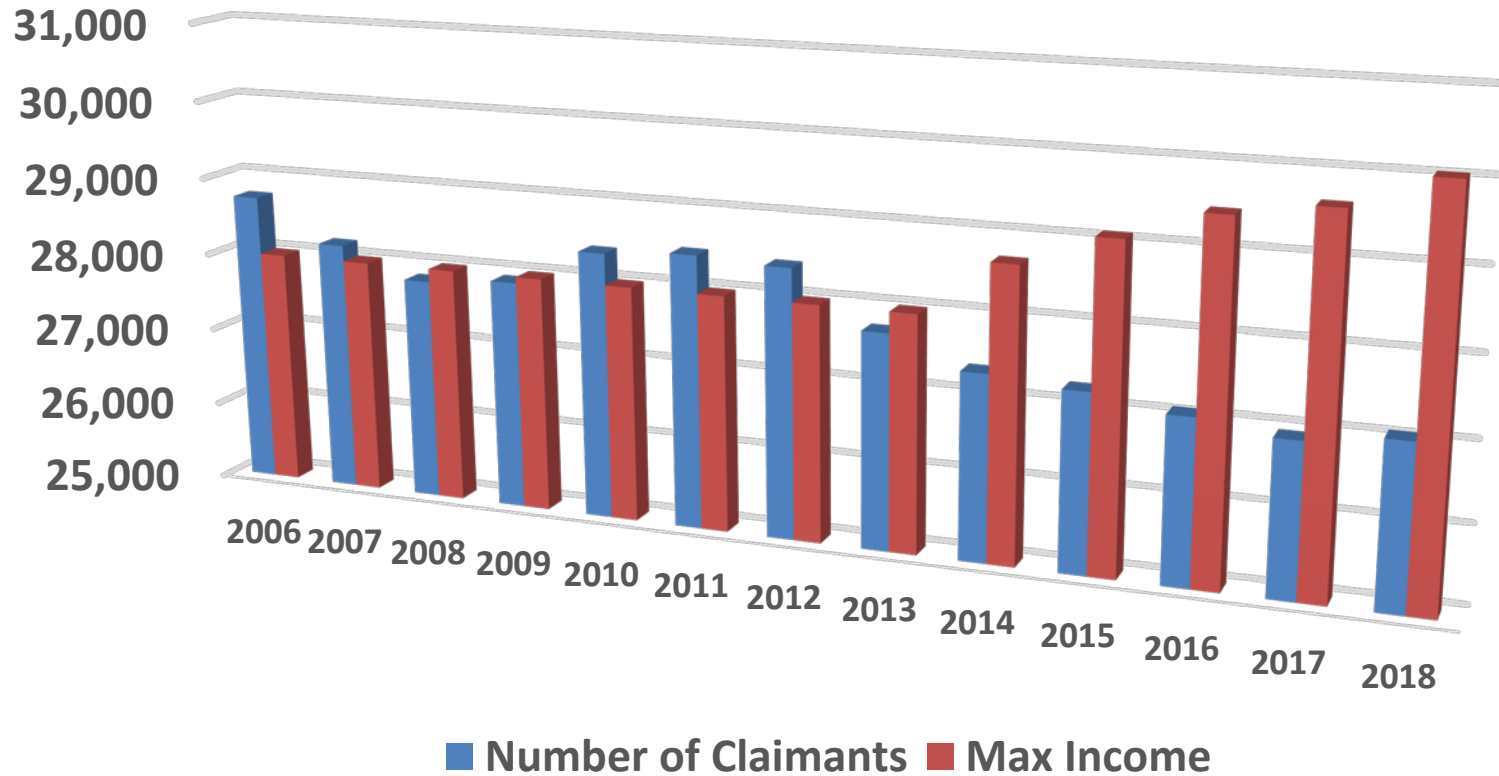
- Up to \$1,320 credit for eligible homeowners:
 - Over age 65, disabled, widows and widowers
 - Income up to \$31,280 for 2020 program
- Must annually apply with county assessor by April 15
- 2018 claims
 - 27,078 approved
 - \$665 tax relief per claim average
 - \$18 Million paid by state to tax districts
- State funded, so **no** loss of revenue to any taxing district
- Occupancy tax eligible - 2019
- Not an exemption, so no property tax shifted to other property taxpayers

Not subject to repayment

Circuit Breaker (PTR)



Circuit Breaker (PTR)



Percent of Taxes Paid - Circuit Breaker (PTR)

