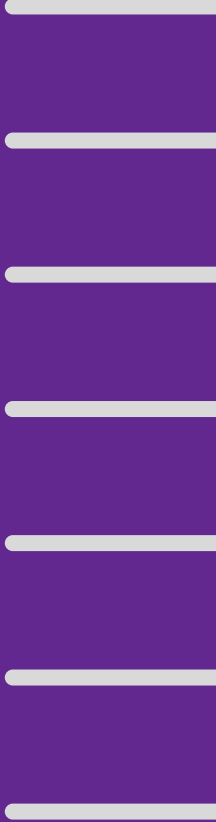


PROPERTY TAX RELIEF IN IDAHO

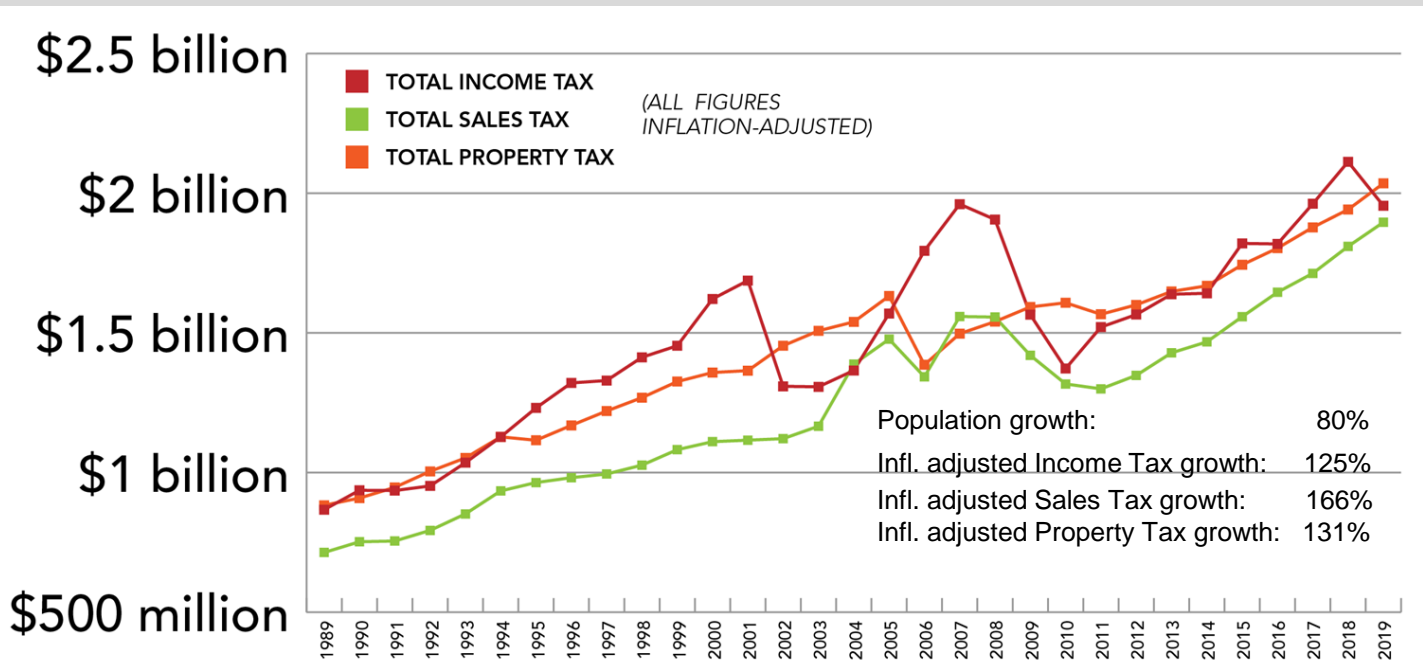
Fred Birnbaum
Vice President
Idaho Freedom Foundation
September 18, 2020





PROPERTY TAXES GROW FASTER THAN INFLATION & POPULATION

2019 tax take about \$450 million higher than inflation plus population growth.



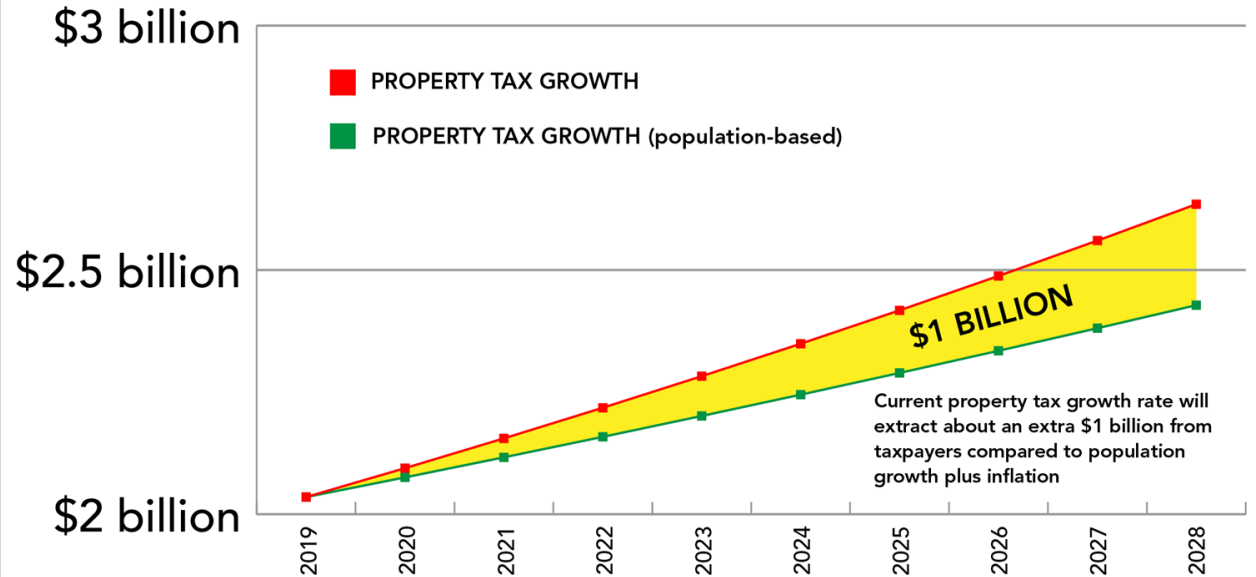
Income taxes include individual and corporate income tax
Property taxes are calendar year, others fiscal, does not impact trend line



THE NEXT 10 YEARS: MAKE OR BREAK

**THIS COMMITTEE'S WORK
WILL HELP DETERMINE IF
HARD-WORKING
IDAHOANS STAY IN THEIR
HOMES.**

OR NOT.





ASSESSMENTS

**Improve
assessment
process and
reduce
variation**

Residential Assessed Value Change within Boise City Limits Aggregated by Intermountain Multiple Listing Service Areas (IMLS) 2019 - 2020					
IMLS Area	Avg Assessed Value 2020	Avg Assessed Value 2019	Avg Assessed Value Change	Weighted Avg	
0100 N Boise	\$492,051	\$463,707	9.25%	6.11%	
0200 NE Boise	\$531,939	\$515,205	5.15%	3.25%	
0300 SE Boise	\$363,054	\$346,913	5.52%	4.65%	
0400 Boise Bench	\$282,910	\$256,937	11.20%	10.11%	
0500 SW Boise	\$334,233	\$315,716	6.68%	5.87%	
0550 SW Boise-Meridian	\$350,945	\$332,576	6.09%	5.52%	
0600 W Boise	\$279,780	\$262,114	7.68%	6.74%	
0650 W Boise-Garden City	\$307,089	\$292,435	5.69%	5.01%	
0700 Garden City	\$488,586	\$464,752	5.11%	5.13%	
0800 NW Boise	\$321,924	\$301,978	7.78%	6.61%	
0900 Eagle	\$388,848	\$411,872	-2.56%	-5.59%	
1020 NE Meridian	\$309,438	\$291,838	6.19%	6.03%	
City of Boise Total	\$351,241	\$331,276	7.56%	6.03%	

Note: Actual data from the Ada County assessor



SOLUTIONS

TRANSPARENCY

- Model after Utah's Truth in Taxation disclosure: tax bills compare taxes with same budget level vs. proposed budget
- End the use of forgone balances, including those not yet disclaimed
- Simplify the formula, just growth/annexation or base increase
- Reveal costs of state mandates imposed on local governments



SOLUTIONS

LIMIT PROPERTY TAX HIKES

- Offset market value increases with lower levy rate in a taxing district - reduce incentive to push higher assessments
- Change the increase formula to the value of new construction & annexation OR 2.0% (CPI is running at less than 2%)
- Require voter approval for budget increases greater than 2.5%
 - Sales taxes are growing Y-O-Y at >6%, with city and county revenue sharing at 11.5% of sales tax; cities and counties are already sharing in this bounty

THANKS!

Questions?

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