

MINUTES  
**SENATE LOCAL GOVERNMENT & TAXATION COMMITTEE**

**DATE:** Thursday, February 25, 2021

**TIME:** 3:00 P.M.

**PLACE:** Room WW53

**MEMBERS PRESENT:** Chairman Rice, Vice Chairman Grow, Senators Vick (Vick), Lakey, Souza, Bayer, Ricks, Nye, and Rabe

**ABSENT/ EXCUSED:** None

**NOTE:** The sign-in sheet, testimonies and other related materials will be retained with the minutes in the committee's office until the end of the session and will then be located on file with the minutes in the Legislative Services Library.

**CONVENED:** **Chairman Rice** called the meeting of the Local Government and Taxation Committee (Committee) to order at 3:02 p.m.

**MINUTES APPROVAL:** **Senator Rabe** moved to approve the Minutes of February 17, 2021. **Senator Lakey** seconded the motion. The motion carried by **voice vote**.

**H 170** **Relating to Income Tax; Regarding Idaho Taxable Income.** **Senator Grow** presented **H 170** and noted that Representative Harris was unavailable. **Senator Grow** informed the Committee that **H 170** was a trailer bill to **H 58**, which conformed to the Internal Revenue Code (IRC) as of January 1, 2021. The removal of non corporate loss limitations in the IRC was not included in the original conformity bill, and **H 170** allows Idaho taxpayers to carry a net operating loss forward for up to 20 years.

**DISCUSSION:** **Senator Souza** questioned if the new language in **H 170** was due to COVID-19. **Senator Grow** responded that he was not aware of it having anything to do with the pandemic. **Senator Rice** confirmed that discussions regarding excess business losses occurred prior to COVID-19.

**TESTIMONY:** **Miguel Legaretta**, Associated Taxpayers of Idaho, testified in support of **H 170**. He explained to the Committee that **H 170** simply reinstates what was previously in Idaho Code. It is a business friendly provision that should remain in statute.

**MOTION:** **Senator Grow** moved to send **H 170** to the floor with a **do pass** recommendation. **Senator Nye** seconded the motion. The motion carried by **voice vote**.

**S 1105** **Relating to Bonds and Levies; Regarding Bond and Levy Information on Property Tax Notices.** **Senator Ricks** presented **S 1105** to the Committee, informing them it was necessary to fix an issue created by H 518a from the last Legislative Session that required property tax statements include expiration dates of bonds and levies. The amendment to H 518a contained an incorrect reference. **S 1105** makes technical corrections to the statute but does not change the intent. **Senator Ricks** explained that the legislation also requires that a county Treasurer maintain a current list of bonds and levies on the county website.

**MOTION:** **Senator Nye** moved to send **S 1105** to the floor with a **do pass** recommendation. **Senator Souza** seconded the motion. The motion carried by **voice vote**.

- H 120**                    **Relating to Veterans; Regarding Certain Property Tax Reductions. Senator Ricks** introduced Representative Brooke Green, District 18. **Representative Green** presented **H 120** to the Committee, relating how the legislation had passed out of the House Revenue and Taxation Committee, and the House floor, both unanimously. **Representative Green** explained that qualified veterans are able to apply for a reduction in their property taxes. Currently, the deductions stay with the home, potentially giving non-veterans those benefits. **H 120** allows that reduction to follow the veteran to their new home, providing they meet the application deadline.
- DISCUSSION:**        **Chairman Rice** informed the Committee that he had checked with the State Tax Commission and **H 120** does not create an issue. He said they feel **H 120** is good legislation.
- TESTIMONY:**        **Lawrence Skawinski**, a Boise resident representing himself, testified in support of **H 120**. He explained to the Committee that he was approved for his property tax deduction in 2020. He relocated and his tax benefit stayed with the home. He contacted the Tax Commission and they informed him they had to follow statute and suggested he contact his representative, Representative Green.
- DISCUSSION:**        **Senator Ricks** questioned how many veterans would be affected by **H 120**. **Representative Green** responded that 50-100 could possibly be affected. Only those veterans with 100 percent disability are eligible.
- MOTION:**            **Senator Ricks** moved to send **H 120** to the floor with a **do pass** recommendation. **Senator Rabe** seconded the motion. The motion carried by **voice vote**.
- ADJOURNED:**        There being no further business at this time, **Chairman Rice** adjourned the meeting at 3:28 p.m.

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Senator Rice  
Chair

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Machele Hamilton  
Secretary