

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 481

BY REVENUE AND TAXATION COMMITTEE

AN ACT

RELATING TO PROPERTY TAX REDUCTION; AMENDING SECTION 63-705, IDAHO CODE, TO REVISE PROVISIONS REGARDING EXCLUSIONS FROM THE PROPERTY TAX REDUCTION PROGRAM AND TO MAKE A TECHNICAL CORRECTION; AND DECLARING AN EMERGENCY AND PROVIDING RETROACTIVE APPLICATION.

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

SECTION 1. That Section 63-705, Idaho Code, be, and the same is hereby amended to read as follows:

63-705. PUBLICATION OF CHANGES IN INCOME LIMITATIONS AND PROPERTY TAX OR OCCUPANCY TAX REDUCTION AMOUNTS.

(1) (a) The state tax commission shall publish adjustments to the income limitations, which shall be the greater of:

(i) An individual's income as defined in section 63-701, Idaho Code, of not more than thirty-one thousand nine hundred dollars (\$31,900) per household for tax year 2021 and each tax year thereafter; or

(ii) One hundred eighty-five percent (185%) of the federal poverty guidelines for a household of two (2) for tax year 2021 and each tax year thereafter.

(b) On and after January 1, 2022, if the current year's assessed value of the home owned by the individual, according to the current year's assessment notice, exceeds the greater of three hundred thousand dollars (\$300,000) or one hundred ~~twenty-five percent (125%)~~ fifty percent (150%) of the median assessed valuation for all homes in the county receiving the homestead exemption pursuant to section 63-602G, Idaho Code, then the individual will instead be referred to the property tax deferral program set forth in sections 63-712 through 63-721, Idaho Code. Using the current year's assessed values, each county shall report the median assessed value of all properties receiving the homestead exemption in such county as of that date to the state tax commission no later than the first Monday in June. Provided, however, the provisions of this paragraph do not apply to a veteran with either a service-connected disability of one hundred percent (100%) or a disability rating based on individual unemployability rating that is compensated at the one hundred percent (100%) disability rate, as certified by the United States department of veterans affairs.

(c) The lowest income limitation shall allow a maximum reduction of one thousand five hundred dollars (\$1,500) in tax year 2021 and thereafter, or actual property taxes or occupancy taxes, as applicable, whichever is less. Each income limitation and reduction amount shall be prorated based on the basic maximum reduction, in practicable increments so that

1 the highest income limitation will provide for a reduction of two hun-  
2 dred fifty dollars (\$250), or actual property taxes, whichever is less.

3 (2) The state tax commission shall publish the adjustments required by  
4 this section each and every year the secretary of health and human services  
5 announces cost-of-living modifications, pursuant to 42 U.S.C. 415(i). The  
6 adjustments shall be published no later than October 1 of each such year and  
7 shall be effective for claims filed in and for the following property tax  
8 year.

9 (3) The publication of adjustments under this section shall be exempt  
10 from the provisions of chapter 52, title 67, Idaho Code, but shall be pro-  
11 vided to each county and to members of the public upon request and without  
12 charge.

13 SECTION 2. An emergency existing therefor, which emergency is hereby  
14 declared to exist, this act shall be in full force and effect on and after its  
15 passage and approval, and retroactively to January 1, 2022.