

IN THE SENATE

SENATE BILL NO. 1075

BY LOCAL GOVERNMENT AND TAXATION COMMITTEE

AN ACT

1 RELATING TO HOMEOWNER PROPERTY TAX RELIEF; AMENDING CHAPTER 7, TITLE 63,
2 IDAHO CODE, BY THE ADDITION OF A NEW SECTION 63-724, IDAHO CODE, TO ES-
3 TABLISH PROVISIONS REGARDING HOMEOWNER PROPERTY TAX RELIEF; AMENDING
4 SECTION 63-902, IDAHO CODE, TO REVISE PROVISIONS REGARDING PROPERTY TAX
5 NOTICES; AMENDING SECTION 63-3024B, IDAHO CODE, TO PROVIDE FOR A TRANS-
6 FER OF MONEYS FROM THE IDAHO TAX REBATE FUND TO THE HOMEOWNER PROPERTY
7 TAX RELIEF ACCOUNT; AMENDING SECTION 63-3638, IDAHO CODE, TO REVISE
8 PROVISIONS REGARDING THE DISTRIBUTION OF SALES AND USE TAXES; APPROPRI-
9 ATING MONEYS AND PROVIDING FOR A ONE-TIME CASH TRANSFER FROM THE GENERAL
10 FUND TO THE HOMEOWNER PROPERTY TAX RELIEF ACCOUNT; AND DECLARING AN
11 EMERGENCY.
12

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

14 SECTION 1. That Chapter 7, Title 63, Idaho Code, be, and the same is
15 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
16 ignated as Section 63-724, Idaho Code, and to read as follows:

17 63-724. HOMEOWNER PROPERTY TAX RELIEF. (1) It is the intent of the
18 legislature to provide property tax relief on owner-occupied properties in
19 Idaho receiving the homestead property tax exemption pursuant to section
20 63-602G, Idaho Code, as of the second Monday in July each year by providing
21 sales tax moneys as replacement funding as provided in this section. This
22 section does not apply to occupancy taxes levied pursuant to section 63-317,
23 Idaho Code.

24 (2) For the purpose of this section:

25 (a) "Eligible property taxes" means all property tax levies on homes
26 receiving the homestead property tax exemption pursuant to section
27 63-602G, Idaho Code, as of the second Monday in July each year, ex-
28 cept for the following: bonds, school district levies, plant facility
29 levies, and any voter-approved temporary levy for a specific duration.
30 When calculating the eligible property taxes for the purpose of this
31 section, the taxable value of each property shall include the value of
32 no more than one (1) acre.

33 (b) "Homeowner property tax relief homestead" means a property receiv-
34 ing the homestead property tax exemption pursuant to section 63-602G,
35 Idaho Code, as of the second Monday in July each year.

36 (3) The county assessor shall prepare a homeowner property tax relief
37 roll, which shall be in addition to all other property rolls. By no later
38 than the fourth Monday of August each year, the homeowner property tax re-
39 lief roll shall be certified by the county assessor to the county auditor and
40 to the state tax commission in the manner prescribed by the state tax commis-
41 sion. The homeowner property tax relief roll shall show:

42 (a) The name of the taxpayer;

1 (b) An accurate description of the homeowner property tax relief home-
2 stead; and

3 (c) The property's current market value for assessment purposes.

4 (4) (a) The county auditor shall complete the homeowner property tax re-
5 lief roll by adding the following information:

6 (i) The current year's levy for the tax code area in which the
7 property is situated;

8 (ii) The amount of eligible property taxes levied on each qualify-
9 ing homestead; and

10 (iii) The total amount of eligible property taxes levied on all
11 properties within the county that are receiving the homestead
12 property tax exemption as of the second Monday in July of each
13 year.

14 (b) By no later than the fourth Monday of October each year, the county
15 auditor shall certify the completed homeowner property tax relief roll
16 to the state tax commission in the manner prescribed by rules promul-
17 gated by the state tax commission.

18 (5) The state tax commission shall determine the total number of home-
19 owner property tax relief homesteads to be allowed in each county, the dol-
20 lar amount of eligible property taxes for each homeowner property tax relief
21 homestead allowed, and the total dollar amount of eligible property taxes
22 for all homeowner property tax relief homesteads within each county. The
23 state tax commission shall divide the moneys in the homeowner property tax
24 relief account as of July 15 each year by the total dollar amount of eligi-
25 ble property taxes levied on all such property tax relief homesteads in all
26 counties, then multiply the result by the total amount of eligible property
27 taxes levied on such homesteads in each county. This amount shall be certi-
28 fied to the county auditor and tax collector by the state tax commission no
29 later than the first Monday in November. By no later than December 20 of each
30 year, the state tax commission shall pay to the county tax collector of each
31 county one half (1/2) of the amount due to each county as reimbursement for
32 homeowner property tax relief as provided in this section and shall pay the
33 second one half (1/2) of such amount by no later than June 20 of the following
34 year.

35 (6) The state tax commission may audit each and every property on the
36 homeowner property tax relief roll. If the state tax commission determines
37 that a homeowner property tax relief homestead credit is erroneous, the
38 state tax commission shall disapprove as much of the credit as necessary in
39 order to conform with statutory standards. The state tax commission shall
40 provide the homeowner written notice of the state tax commission's intent
41 to disapprove all or a portion of the credit. The homeowner shall have
42 twenty-eight (28) days to make written protest to the state tax commission
43 of the intended action. The homeowner may submit additional information and
44 may request an informal hearing with the state tax commission. If the home-
45 owner fails to make written protest within twenty-eight (28) days, the state
46 tax commission shall provide written notice of disapproval to both the home-
47 owner and the county auditor of the county in which the property is situated
48 by December 20. Any homeowner whose claim is disapproved in whole or in part
49 by the state tax commission may appeal such disapproval to the board of tax

1 appeals or to the district court of the county of residence of the taxpayer
2 within thirty (30) days.

3 (7) Each county treasurer shall apply the moneys received pursuant to
4 subsection (5) of this section to the eligible property taxes levied on the
5 properties listed on the certified homeowner property tax relief roll that
6 year. The moneys shall be designated as a line item credit against the total
7 of all eligible property taxes on the property tax bill for each property re-
8 ceiving the tax relief provided by this section. Such moneys shall be paid to
9 the various taxing districts levying the eligible property taxes in the same
10 manner as property tax revenues.

11 (8) The amount of property tax relief for a homeowner's property taxes
12 shall be applied after the homestead exemption pursuant to section 63-602G,
13 Idaho Code, has been applied. The property tax relief amount cannot exceed
14 the actual amount of current eligible property taxes due on the homeowner's
15 property tax notice. No delinquent property taxes, penalties, interest, or
16 fines may be paid with moneys from this program.

17 (9) Nothing in this section prevents a homeowner denied property tax
18 relief pursuant to this section or a homeowner receiving partial payment
19 only of property taxes from applying for any and all other assistance for
20 which the homeowner qualifies, up to a maximum of the actual property taxes
21 owed by the homeowner, including but not limited to:

22 (a) Property tax reduction for disabled veterans pursuant to section
23 63-705A, Idaho Code;

24 (b) Property tax reduction pursuant to sections 63-704 and 63-705,
25 Idaho Code;

26 (c) Property tax deferral pursuant to sections 63-712 through 63-721,
27 Idaho Code;

28 (d) Special cancellation of property taxes pursuant to section 63-711,
29 Idaho Code; and

30 (e) Exceptional situation exemption pursuant to section 63-602AA,
31 Idaho Code.

32 (10) Any amount of homeowner property tax relief moneys distributed by
33 the state tax commission to a county that exceeds the total amount of all el-
34 igible property taxes due from all homeowner property tax relief homesteads
35 in the county shall revert to the state general fund. The county treasurer
36 shall deposit such moneys with the state treasurer by the fourth Monday in
37 July each year for the preceding property tax year.

38 (11) Within three (3) years of payment, the state tax commission may re-
39 cover any erroneous or incorrect payment made to any homeowner receiving re-
40 lief under this section. The deficiency determination, collection, and en-
41 forcement procedures provided in chapter 30, title 63, Idaho Code, shall ap-
42 ply and be available to the state tax commission for enforcement and collec-
43 tion under this section. Wherever liens or any other proceedings are defined
44 as income tax liens or proceedings, they shall, when applied in enforcement
45 or collection under this section, be described as tax relief liens and pro-
46 ceedings. In connection with this section, a deficiency shall consist of any
47 amount erroneously paid on behalf of a homeowner under this section.

48 SECTION 2. That Section 63-902, Idaho Code, be, and the same is hereby
49 amended to read as follows:

1 63-902. PROPERTY TAX NOTICE AND RECEIPTS -- DUTY OF TAX COLLECTOR. (1)
 2 For property on the property roll or operating property roll, the county tax
 3 collector must, prior to the fourth Monday of November in each year, mail or
 4 transmit electronically, as that term is defined in section 63-115, Idaho
 5 Code, if electronic transmission is requested by the taxpayer, to every tax-
 6 payer, or to his agent or representative, at his last known post office ad-
 7 dress, a tax notice prepared upon forms prescribed in section 63-219, Idaho
 8 Code, which shall contain at least the following:

- 9 (a) The year in which the property tax was levied;
 10 (b) The name and address of the property owner;
 11 (c) An accurate description of the property or, in lieu thereof, the tax
 12 number of record;
 13 (d) The parcel number;
 14 (e) Full market value for assessment purposes;
 15 (f) The total amount of property taxes due:
 16 (i) State;
 17 (ii) County;
 18 (iii) City;
 19 (iv) School district separately shown as:
 20 (A) Maintenance and operation;
 21 (B) Bond;
 22 (C) Supplemental;
 23 (D) Other;
 24 (v) And every other tax being separately shown.
 25 (g) All property tax levies in the tax code area;
 26 (h) The expiration dates of all bonds and levies approved by vot-
 27 ers at an election for each taxing district as defined in section
 28 63-3101, Idaho Code, submitted to the tax collector pursuant to section
 29 63-803(5), Idaho Code;
 30 (i) The date when such property taxes become delinquent;
 31 (j) Notation of delinquencies against said property;
 32 (k) Whether an interim payment account exists;
 33 (l) The amount of homeowner property tax relief granted pursuant to
 34 section 63-724, Idaho Code, if any;
 35 ~~(l)~~ (m) The different payment options available to the taxpayer, his
 36 agent, or representative, which shall be printed in boldface type in a
 37 contrasting color or highlighted on the face of the tax notice; and
 38 ~~(m)~~ (n) The total amount of property taxes for the previous tax year.

39 (2) The information required by subsection (1) (h) of this section may
 40 be satisfied if the county treasurer provides an annual insert with the tax
 41 notice or a link on the tax notice to the county website where the information
 42 required by subsection (1) (h) of this section can be accessed. Such infor-
 43 mation must be archived on the county website. In addition to including the
 44 link to the county website, the county treasurer may also include on the tax
 45 notice a quick response code to access the information required by subsec-
 46 tion (1) (h) of this section.

47 (3) The tax notices shall be numbered consecutively and the numbers
 48 must be entered upon all property rolls.

49 (4) Tax notices prepared in tax code area format shall state that levy
 50 sheets are available to the public.

1 (5) Levy sheets shall list the total property tax levy for each taxing
2 district or taxing jurisdiction and the total in each tax code area.

3 (6) If the taxpayer is one other than the equitable titleholder, such as
4 an escrowee, trustee of trust deed or other third party, the taxpayer shall
5 deliver to the equitable titleholder a statement of the total amount of prop-
6 erty taxes billed, on or before the second Monday of December.

7 (7) The tax collector in each county of the state is authorized to de-
8 stroy all duplicate property tax receipts and microfilm of tax receipts on
9 file in his office as they reach ten (10) years old. Property tax receipts
10 may be destroyed if information has been replicated in other storage media.

11 (8) Computer and data processing routines for completion of all phases
12 of the property tax roll procedures may be utilized with the responsibility
13 for completion of each office's statutory duties to remain under the super-
14 vision of that office. Wherever the designation "property roll" appears
15 within title 63, Idaho Code, data processing or computer procedures and
16 forms may be substituted as permanent records.

17 (9) The county tax collector must, as soon as possible after the sub-
18 sequent or missed property roll is delivered to him from the county auditor,
19 mail or transmit electronically, if electronic transmission is requested by
20 the taxpayer, a notice to every taxpayer listed on the subsequent or missed
21 property roll, or to his agent or representative. The notice shall conform
22 as nearly as possible to the notice required for property listed on the prop-
23 erty roll.

24 (10) Failure to mail or transmit electronically, if electronic trans-
25 mission is requested by the taxpayer, such property tax notice, or receipt of
26 said notice by the taxpayer, shall not invalidate the property taxes, or any
27 proceedings in the collection of property taxes, or any proceedings in the
28 foreclosure of property tax liens.

29 (11) No charge, other than property taxes, shall be included on a tax
30 notice unless the entity placing such charge has received approval from the
31 board of county commissioners to place such charge on the tax notice and such
32 entity:

33 (a) Has the authority by law to place a lien on property; and

34 (b) Has the authority to certify such charge to the auditor; and

35 (c) Is required to collect such charge in the same manner provided by
36 law for the collection of real and personal property taxes.

37 (12) If a taxpayer requests to receive a tax notice electronically, the
38 request must be made on a form provided by the county tax collector.

39 SECTION 3. That Section 63-3024B, Idaho Code, be, and the same is hereby
40 amended to read as follows:

41 63-3024B. IDAHO TAX REBATE FUND. (1) There is hereby created in the
42 state treasury the Idaho tax rebate fund for the purpose of implementing the
43 provisions of this section.

44 (a) Up to two hundred twenty million dollars (\$220,000,000), less ad-
45 ministrative costs, shall be distributed by the state tax commission
46 to pay rebates to individual taxpayers as provided in subsection (2) of
47 this section, which moneys are continuously appropriated.

48 (b) For rebates authorized under subsection (3) of this section, up to
49 three hundred fifty million dollars (\$350,000,000), less administra-

1 tive costs, shall be distributed by the state tax commission to pay re-
2 bates to individual taxpayers, which moneys are continuously appropri-
3 ated.

4 (c) For rebates authorized under subsection (4) of this section, up
5 to five hundred million dollars (\$500,000,000), less administrative
6 costs, shall be distributed by the state tax commission to pay rebates
7 to individual taxpayers, which moneys are continuously appropriated.

8 (d) On July 1, 2023, any moneys remaining following the distributions
9 authorized pursuant to paragraphs (a), (b), and (c) of this subsection,
10 anticipated to be approximately one hundred thirty million dollars
11 (\$130,000,000), shall be transferred to the homeowner property tax re-
12 lief account established pursuant to section 63-3638(15), Idaho Code.

13 (2) After filing a 2020 Idaho individual income tax return or form 24 on
14 or before December 31, 2021, any full-year resident taxpayer who also filed
15 an individual income tax return or a form 24 for 2019 shall receive a onetime,
16 nontaxable income tax rebate check in an amount approximately equal to nine
17 percent (9%) of the tax amount, if any, reported on 2019 form 40, line 20,
18 or for service members on 2019 form 43, line 42, or fifty dollars (\$50.00)
19 per taxpayer and each dependent, whichever is more. Any unexpended moneys
20 remaining from the rebate authorized under this subsection shall be added by
21 the state tax commission to the moneys designated for the rebate authorized
22 under subsection (3) of this section.

23 (3) After filing a 2021 Idaho individual income tax return or form 24 on
24 or before December 31, 2022, any full-year resident taxpayer who also filed a
25 2020 individual income tax return or form 24 on or before December 31, 2022,
26 shall receive a onetime, nontaxable income tax rebate check in an amount ap-
27 proximately equal to twelve percent (12%) of the tax amount, if any, reported
28 on 2020 form 40, line 20, or for service members on 2020 form 43, line 42, or
29 seventy-five dollars (\$75.00) per taxpayer and each dependent, whichever is
30 more. The state tax commission shall issue such rebates during the 2022 fis-
31 cal year and 2023 fiscal year to the extent possible.

32 (4) In addition to the rebate granted under subsection (3) of this sec-
33 tion, after filing a 2021 Idaho individual income tax return or form 24 on or
34 before December 31, 2022, any full-year resident taxpayer who also filed a
35 2020 individual income tax return or a form 24 on or before December 31, 2022,
36 shall receive a onetime nontaxable income tax rebate check in an amount ap-
37 proximately equal to ten percent (10%) of the tax amount, if any, reported
38 on 2020 form 40, line 20, or for service members on 2020 form 43, line 42,
39 or three hundred dollars (\$300) per individual return or six hundred dollars
40 (\$600) per joint return, whichever is more. The state tax commission shall
41 issue such rebates during the 2023 fiscal year to the extent possible.

42 SECTION 4. That Section 63-3638, Idaho Code, be, and the same is hereby
43 amended to read as follows:

44 63-3638. SALES TAX -- DISTRIBUTION. All moneys collected under
45 this chapter, except as may otherwise be required in sections 63-3203,
46 63-3620F(2), and 63-3709, Idaho Code, ~~and except as provided in subsection~~
47 ~~(16) of this section,~~ shall be distributed by the state tax commission as
48 follows:

1 (1) An amount of money shall be distributed to the state refund account
2 sufficient to pay current refund claims. All refunds authorized under this
3 chapter by the state tax commission shall be paid through the state refund
4 account, and those moneys are continuously appropriated.

5 (2) Five million dollars (\$5,000,000) per year is continuously appro-
6 priated and shall be distributed to the permanent building fund, provided by
7 section 57-1108, Idaho Code.

8 (3) Four million eight hundred thousand dollars (\$4,800,000) per year
9 is continuously appropriated and shall be distributed to the water pollution
10 control fund established by section 39-3628, Idaho Code.

11 (4) An amount equal to the sum required to be certified by the chair-
12 man of the Idaho housing and finance association to the state tax commis-
13 sion pursuant to section 67-6211, Idaho Code, in each year is continuously
14 appropriated and shall be paid to any capital reserve fund established by
15 the Idaho housing and finance association pursuant to section 67-6211, Idaho
16 Code. Such amounts, if any, as may be appropriated hereunder to the capital
17 reserve fund of the Idaho housing and finance association shall be repaid for
18 distribution under the provisions of this section, subject to the provisions
19 of section 67-6215, Idaho Code, by the Idaho housing and finance associa-
20 tion, as soon as possible, from any moneys available therefor and in excess
21 of the amounts the association determines will keep it self-supporting.

22 (5) An amount equal to the sum required by the provisions of sections
23 63-709 and 63-717, Idaho Code, after allowance for the amount appropriated
24 by section 63-718(3), Idaho Code, is continuously appropriated and shall be
25 paid as provided by sections 63-709 and 63-717, Idaho Code.

26 (6) An amount required by the provisions of chapter 53, title 33, Idaho
27 Code.

28 (7) An amount required by the provisions of chapter 87, title 67, Idaho
29 Code.

30 (8) For fiscal year 2011 and each fiscal year thereafter, four million
31 one hundred thousand dollars (\$4,100,000), of which two million two hundred
32 thousand dollars (\$2,200,000) shall be distributed to each of the forty-four
33 (44) counties in equal amounts and one million nine hundred thousand dol-
34 lars (\$1,900,000) shall be distributed to the forty-four (44) counties in
35 the proportion that the population of the county bears to the population of
36 the state. For fiscal year 2012 and for each fiscal year thereafter, the
37 amount distributed pursuant to this subsection shall be adjusted annually
38 by the state tax commission in accordance with the consumer price index for
39 all urban consumers (CPI-U) as published by the U.S. department of labor,
40 bureau of labor statistics, but in no fiscal year shall the total amount
41 allocated for counties under this subsection be less than four million one
42 hundred thousand dollars (\$4,100,000). Any increase resulting from the ad-
43 justment required in this section shall be distributed to each county in the
44 proportion that the population of the county bears to the population of the
45 state. Each county shall establish a special election fund to which shall
46 be deposited all revenues received from the distribution pursuant to this
47 subsection. All such revenues shall be used exclusively to defray the costs
48 associated with conducting elections as required of county clerks by the
49 provisions of section 34-1401, Idaho Code.

1 (9) One dollar (\$1.00) on each application for certificate of title
2 or initial application for registration of a motor vehicle, snowmobile,
3 all-terrain vehicle or other vehicle processed by the county assessor or the
4 Idaho transportation department, excepting those applications in which any
5 sales or use taxes due have been previously collected by a retailer, shall be
6 a fee for the services of the assessor of the county or the Idaho transporta-
7 tion department in collecting such taxes and shall be paid into the current
8 expense fund of the county or state highway account established in section
9 40-702, Idaho Code.

10 (10) Eleven and five-tenths percent (11.5%) of revenues collected un-
11 der this chapter, following any distributions required by sections 63-3203,
12 63-3620F(2), and 63-3709, Idaho Code, and by subsection (1) of this section,
13 is continuously appropriated and shall be distributed to the revenue-shar-
14 ing account, which is hereby created in the state treasury, and the moneys in
15 the revenue-sharing account will be paid in installments each calendar quar-
16 ter by the state tax commission as follows:

17 (a) Forty-five and two-tenths percent (45.2%) shall be paid to the var-
18 ious cities as follows:

19 (i) Beginning in fiscal year 2025 and each fiscal year there-
20 after, four million dollars (\$4,000,000) shall be transferred
21 each quarter to the state public defense fund created in section
22 57-827, Idaho Code.

23 (ii) After the distribution required by subparagraph (i) of this
24 paragraph, the revenue-sharing amount calculated by the state tax
25 commission for the various cities for each quarter of fiscal year
26 2020 shall be the base amount for current quarterly revenue dis-
27 tribution amounts. The state tax commission shall calculate the
28 per capita distribution for each city resulting from the previous
29 fiscal year's distributions.

30 (iii) If there is no change in the amount of the revenue-sharing
31 account from the same quarter of the previous fiscal year, then the
32 various cities shall receive the same amount received for the same
33 quarter of the previous fiscal year.

34 (iv) If the balance of the revenue-sharing account for the current
35 quarter is greater than the balance of the revenue-sharing account
36 for the same quarter of the previous fiscal year, then:

37 1. If the distributions made to the cities during the same
38 quarter of the previous fiscal year were below the base
39 amount established in fiscal year 2020, then the various
40 cities shall first receive a proportional increase up to the
41 base amount for each city and up to a one percent (1%) in-
42 crease over such base amount. Any remaining moneys shall be
43 distributed to cities with a below-average per capita dis-
44 tribution in the proportion that the population of that city
45 bears to the population of all cities with below-average per
46 capita distributions within the state.

47 2. If the distributions made to the cities during the same
48 quarter of the previous fiscal year were at or above the
49 base amount established in fiscal year 2020, then the cities
50 shall receive the same distribution they received during the

1 same quarter of the previous fiscal year plus a proportional
2 increase up to one percent (1%). Any remaining moneys shall
3 be distributed to the cities with a below-average per capita
4 distribution in the proportion that the population of that
5 city bears to the population of all cities with a below-aver-
6 age per capita distribution within the state.

7 (v) If the balance of the revenue-sharing account for the cur-
8 rent quarter is less than the balance of the revenue-sharing ac-
9 count for the same quarter of the previous fiscal year, then the
10 cities shall first receive a proportional reduction down to the
11 base amount established in fiscal year 2020. If further reduc-
12 tions are necessary, the cities shall receive reductions based on
13 the proportion that each city's population bears to the population
14 of all cities within the state.

15 (b) Forty-seven and one-tenth percent (47.1%) shall be paid to the var-
16 ious counties as follows:

17 (i) Beginning in fiscal year 2025, five million dollars
18 (\$5,000,000) shall be transferred each quarter to the state public
19 defense fund created in section 57-827, Idaho Code. The growth
20 percentage distributed pursuant to this subparagraph shall be re-
21 calculated each quarter beginning in fiscal year 2026 and in each
22 fiscal year thereafter through fiscal year 2030. If the growth is
23 positive and is calculated over the same period from the previ-
24 ous fiscal year, a proportional increase in the initial transfer
25 amount of up to five percent (5%) annually shall be transferred to
26 the state public defense fund. After fiscal year 2030, an amount
27 equal to one-fourth (1/4) of the total amount transferred to the
28 state public defense fund in fiscal year 2030 pursuant to this
29 subparagraph shall be transferred quarterly to the state public
30 defense fund;

31 (ii) Following the distribution required by subparagraph (i) of
32 this paragraph, fifty-nine and eight-tenths percent (59.8%) of
33 the amount to be distributed under this paragraph (b) of this sub-
34 section shall be distributed as follows:

35 1. One million three hundred twenty thousand dollars
36 (\$1,320,000) annually shall be distributed one forty-fourth
37 (1/44) to each of the various counties; and

38 2. The balance of such amount shall be paid to the various
39 counties, and each county shall be entitled to an amount in
40 the proportion that the population of that county bears to
41 the population of the state; and

42 (iii) Following the distribution required by subparagraph (i) of
43 this paragraph, forty and two-tenths percent (40.2%) of the amount
44 to be distributed under this paragraph (b) of this subsection
45 shall be distributed as follows:

46 1. Each county that received a payment under the provisions
47 of section 63-3638(e), Idaho Code, as that subsection ex-
48 isted immediately prior to July 1, 2000, during the fourth
49 quarter of calendar year 1999, shall be entitled to a like
50 amount during succeeding calendar quarters.

1 2. If the dollar amount of money available under this sub-
2 section (10) (b) (iii) in any quarter does not equal the
3 amount paid in the fourth quarter of calendar year 1999, each
4 county's payment shall be reduced proportionately.

5 3. If the dollar amount of money available under this sub-
6 section (10) (b) (iii) in any quarter exceeds the amount paid
7 in the fourth quarter of calendar year 1999, each county
8 shall be entitled to a proportionately increased payment,
9 but such increase shall not exceed one hundred five percent
10 (105%) of the total payment made in the fourth quarter of
11 calendar year 1999.

12 4. If the dollar amount of money available under this sub-
13 section (10) (b) (iii) in any quarter exceeds one hundred five
14 percent (105%) of the total payment made in the fourth quar-
15 ter of calendar year 1999, any amount over and above such
16 one hundred five percent (105%) shall be paid to the various
17 counties in the proportion that the population of the county
18 bears to the population of the state; and

19 (c) Seven and seven-tenths percent (7.7%) of the amount appropriated in
20 this subsection shall be paid to the several counties for distribution
21 to special purpose taxing districts as follows:

22 (i) Each such district that received a payment under the provi-
23 sions of section 63-3638(e), Idaho Code, as such subsection ex-
24 isted immediately prior to July 1, 2000, during the fourth quarter
25 of calendar year 1999, shall be entitled to a like amount during
26 succeeding calendar quarters.

27 (ii) If the dollar amount of money available under this subsec-
28 tion (10) (c) in any quarter does not equal the amount paid in the
29 fourth quarter of calendar year 1999, each special purpose taxing
30 district's payment shall be reduced proportionately.

31 (iii) If the dollar amount of money available under this subsec-
32 tion (10) (c) in any quarter exceeds the amount distributed under
33 paragraph (c) (i) of this subsection, each special purpose tax-
34 ing district shall be entitled to a share of the excess based on
35 the proportion each such district's current property tax budget
36 bears to the sum of the current property tax budgets of all such
37 districts in the state. The state tax commission shall calculate
38 district current property tax budgets to include any unrecovered
39 forgone amounts as determined under section 63-802(1) (e), Idaho
40 Code. When a special purpose taxing district is situated in more
41 than one (1) county, the state tax commission shall determine the
42 portion attributable to the special purpose taxing district from
43 each county in which it is situated.

44 (iv) If special purpose taxing districts are consolidated, the
45 resulting district is entitled to a base amount equal to the sum of
46 the base amounts received in the last calendar quarter by each dis-
47 trict prior to the consolidation.

48 (v) If a special purpose taxing district is dissolved or disin-
49 corporated, the state tax commission shall continuously distrib-
50 ute to the board of county commissioners an amount equal to the

1 last quarter's distribution prior to dissolution or disincorpora-
2 tion. The board of county commissioners shall determine any re-
3 distribution of moneys so received.

4 (vi) Taxing districts formed after January 1, 2001, are not en-
5 titled to a payment under the provisions of this paragraph (c) of
6 this subsection.

7 (vii) For purposes of this paragraph (c) of this subsection, a spe-
8 cial purpose taxing district is any taxing district that is not a
9 city, a county, or a school district.

10 (11) Amounts calculated in accordance with section 2, chapter 356, laws
11 of 2001, for annual distribution to counties and other taxing districts be-
12 ginning in October 2001 for replacement of property tax on farm machinery and
13 equipment exempted pursuant to section 63-602EE, Idaho Code. For nonschool
14 districts, the state tax commission shall distribute one-fourth (1/4) of
15 this amount certified quarterly to each county. For school districts, the
16 state tax commission shall distribute one-fourth (1/4) of the amount cer-
17 tified quarterly to each school district. For nonschool districts, the
18 county auditor shall distribute such amounts to each district within thirty
19 (30) calendar days from receipt of moneys from the state tax commission.
20 Moneys received by each taxing district for replacement shall be utilized
21 in the same manner and in the same proportions as revenues from property
22 taxation. The moneys remitted to the county treasurer for replacement of
23 property exempt from taxation pursuant to section 63-602EE, Idaho Code, may
24 be considered by the counties and other taxing districts and budgeted at the
25 same time, in the same manner and in the same year as revenues from taxation
26 on personal property which these moneys replace. If taxing districts are
27 consolidated, the resulting district is entitled to an amount equal to the
28 sum of the amounts received in the last calendar quarter by each district
29 pursuant to this subsection prior to the consolidation. If a taxing district
30 is dissolved or disincorporated, the state tax commission shall continu-
31 ously distribute to the board of county commissioners an amount equal to the
32 last quarter's distribution prior to dissolution or disincorporation. The
33 board of county commissioners shall determine any redistribution of moneys
34 so received. If a taxing district annexes territory, the distribution of
35 moneys received pursuant to this subsection shall be unaffected. Taxing
36 districts formed after January 1, 2001, are not entitled to a payment under
37 the provisions of this subsection. School districts shall receive an amount
38 determined by multiplying the sum of the year 2000 school district levy mi-
39 nus .004 times the market value on December 31, 2000, in the district of the
40 property exempt from taxation pursuant to section 63-602EE, Idaho Code, pro-
41 vided that the result of these calculations shall not be less than zero (0).
42 The result of these school district calculations shall be further increased
43 by six percent (6%). For purposes of the limitation provided by section
44 63-802, Idaho Code, moneys received pursuant to this section as property tax
45 replacement for property exempt from taxation pursuant to section 63-602EE,
46 Idaho Code, shall be treated as property tax revenues.

47 (12) Amounts necessary to pay refunds as provided in section 63-3641,
48 Idaho Code, to a developer of a retail complex shall be remitted to the demon-
49 stration pilot project fund created in section 63-3641, Idaho Code.

1 (13) Amounts calculated in accordance with section 63-602KK(4), Idaho
2 Code, for annual distribution to counties and other taxing districts for
3 replacement of property tax on personal property tax exemptions pursuant
4 to section 63-602KK(2), Idaho Code, which amounts are continuously ap-
5 propriated unless the legislature enacts a different appropriation for a
6 particular fiscal year. For purposes of the limitation provided by section
7 63-802, Idaho Code, moneys received pursuant to this section as property tax
8 replacement for property exempt from taxation pursuant to section 63-602KK,
9 Idaho Code, shall be treated as property tax revenues. If taxing districts
10 are consolidated, the resulting district is entitled to an amount equal to
11 the sum of the amounts that were received in the last calendar year by each
12 district pursuant to this subsection prior to the consolidation. If a taxing
13 district or revenue allocation area annexes territory, the distribution of
14 moneys received pursuant to this subsection shall be unaffected. Taxing
15 districts and revenue allocation areas formed after January 1, 2022, are not
16 entitled to a payment under the provisions of this subsection.

17 (14) For fiscal years 2023 and 2024 only, a sum of thirty-four million
18 dollars (\$34,000,000) shall be distributed each year by the state tax com-
19 mission to the forty-four (44) counties in the proportion that the expen-
20 ditures of each county for indigent defense services during county fiscal
21 year 2021, excluding any state funding or grants, bear to the expenditures
22 of all counties in the state for indigent defense services during county fis-
23 cal year 2021, excluding any state funding or grants. No later than July 1,
24 2022, the state public defense commission shall certify to the state tax com-
25 mission each county's proportionate share of all counties' indigent defense
26 expenses in county fiscal year 2021, excluding any state funding or grants.

27 ~~(15) Any moneys remaining over and above those necessary to meet and~~
28 ~~reserve for payments under other subsections of this section shall be dis-~~
29 ~~tributed to the general fund. For fiscal year 2024 and each fiscal year~~
30 ~~thereafter, four and five-tenths percent (4.5%) of revenues collected under~~
31 ~~this chapter, following any distributions required by sections 63-3203,~~
32 ~~63-3620F(2), and 63-3709, Idaho Code, and by subsection (1) of this section,~~
33 ~~is continuously appropriated and shall be distributed to the homeowner prop-~~
34 ~~erty tax relief account, which is hereby created in the state treasury, for~~
35 ~~homeowner property tax relief pursuant to the provisions of section 63-724,~~
36 ~~Idaho Code.~~

37 (16) (a) Four and five-tenths percent (4.5%), but not less than eighty
38 million dollars (\$80,000,000), is continuously appropriated and shall
39 be distributed to the transportation expansion and congestion mitiga-
40 tion fund established in section 40-720, Idaho Code.

41 (b) Any portion of the four and five-tenths percent (4.5%) provided for
42 in paragraph (a) of this subsection that exceeds eighty million dollars
43 (\$80,000,000) is continuously appropriated and shall be apportioned
44 to local units of government for local highway projects in the same
45 percentages provided for in section 40-709(1) through (3), Idaho Code.
46 Local units of government may pool funds allocated to them pursuant to
47 this paragraph for local highway projects.

48 (c) The distribution provided for in this subsection must immediately
49 follow the distribution provided for in subsection (10) of this sec-
50 tion.

1 (17) Beginning in fiscal year 2024 and each fiscal year thereafter,
2 three hundred thirty million dollars (\$330,000,000) shall be distributed
3 annually to the public school income fund created in section 33-903, Idaho
4 Code, and eighty million dollars (\$80,000,000) shall be distributed annu-
5 ally to the in-demand careers fund established in section 33-4305, Idaho
6 Code. The state tax commission shall make such transfers in quarterly in-
7 stallments. The distributions required by this subsection must immediately
8 follow the distributions provided for in subsection (16) of this section.

9 (18) Any moneys remaining over and above those necessary to meet and
10 reserve for payments under other subsections of this section shall be dis-
11 tributed to the general fund.

12 SECTION 5. ONE-TIME CASH TRANSFER FROM THE GENERAL FUND. Moneys from
13 the General Fund, in addition to moneys from the Idaho Tax Rebate Fund, shall
14 be used to fund the first year of the homeowner property tax relief program
15 pursuant to Section 63-724, Idaho Code, prior to the availability of sales
16 tax funding pursuant to Section 63-3638(15), Idaho Code, as provided in this
17 act. There is hereby appropriated and the State Tax Commission shall trans-
18 fer \$75,000,000 from the General Fund to the Homeowner Property Tax Relief
19 Account by no later than July 15, 2023.

20 SECTION 6. An emergency existing therefor, which emergency is hereby
21 declared to exist, this act shall be in full force and effect on and after its
22 passage and approval.