

MINUTES  
**HOUSE REVENUE & TAXATION COMMITTEE**

**DATE:** Thursday, March 09, 2023

**TIME:** 9:00 A.M.

**PLACE:** Room EW42

**MEMBERS:** Chairman Monks, Vice Chairman Cannon, Representatives Dixon(1), Manwaring, Weber, Shepherd, Cheatum, Cornilles, Durrant, Ehlers, Mickelsen, Pickett, Raymond, Wroten, Necochea, Burns

**ABSENT/  
EXCUSED:** Dixon(1), Manwaring

**GUESTS:** The sign-in sheet will be retained in the committee secretary's office; following the end of session the sign-in sheet will be filed with the minutes in the Legislative Library.

**Vice Chairman Cannon** called the meeting to order at 9:00am.

**MOTION:** **Rep. Burns** made a motion to approve the minutes of February 27 and March 2, 2023. **Motion carried by voice vote.**

**RS 30604:** **Rep. Monks** presented **RS 30604**, giving property tax relief while also creating an additional mechanism to direct property tax revenue to funding for K-12 schools. The legislation will help those who have a homeowner's exemption, and roughly two-thirds will be going to these homeowners.

In terms of school funding, approximately \$100 million dollars will be sent to school districts and it's distributed by average daily attendance. The districts are then required to spend this money in a prioritization: first priority will be going to payoff bond indebtedness for the year which has to come off the property tax roll.

In case where districts have extra money or no district bonds, the second priority: that money will go towards pay down levy payments which would provide tax relief.

If there is additional money, third priority it can be saved for future construction needs which will prevent future property tax increases. The fourth priority is that you will be able to bond against that money to use to build or address school facilities.

In addition, another feature in the legislation, it addresses the circuit breaker program available to property owners who have a low income and who cannot afford property taxes. It loosens some of the regulations to allow more people to qualify for that program to provide additional relief. The threshold to qualify for that program will change from \$31,000 to \$37,000 of income one can make, value of home increased from \$300,000 to \$400,000 and an increased median income threshold income up to 200% and still qualify for the circuit breaker program.

Where the funding will come from includes one-time transfers and additional money that is already available, \$75 million will be transferred to the property tax relief fund. Tax rebate fund \$130 million will also be allocated to the tax relief fund. The surplus eliminator function up to \$150 million available to transfer to the tax relief fund. Some of the one-time will go to the school facility funding portion of the program.

In the second year, on-going monies year after year will pour into the tax relief fund. Which include the 4% on sales tax will be available to use to relieve property tax which will divide evenly into the two tax relief funds. Additional money that will be funding the tax relief funds is the Online Sales Tax Fund account will transfer 20% will be going to the property tax relief fund in 2025.

In the first year, property tax relief is estimated at \$205-\$350 million. In the second year, it is estimated to be \$122-\$272 million in property tax relief, and in the third year it is estimated to provide \$182-\$332 million in property tax relief. So overall, in three years this legislation could potentially provide an estimated over \$500-\$960 million of property tax relief.

**MOTION:** **Rep. Shepherd** made a motion to introduce **RS 30604**.

**SUBSTITUTE MOTION:** **Rep. Burns** made a substitute motion to introduce **RS 30604** with an amendment on page 3 changing the date on line 46, and add back in "the 2nd Tuesday of March of each year." In addition, strike "and on the last Tuesday in August of each year." Speaking to the substitute motion **Rep. Burns** said this is to consider March elections for teachers. The teachers have moved up their elections so that they can keep their teachers rather than losing teachers to adjoining districts.

**VOTE ON SUBSTITUTE MOTION:** **Substitute motion failed by voice vote.**

**VOTE ON ORIGINAL MOTION:** **Motion carried by voice vote.**

**ADJOURN:** There being no further business to come before the committee, meeting adjourned at 9:36am.

---

Representative Cannon  
Chair

---

Jazz Alexis  
Secretary