

MINUTES
HOUSE REVENUE & TAXATION COMMITTEE

DATE: Wednesday, January 31, 2024

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:** None

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 9:01 A.M.

MOTION: **Rep. Burns** made a motion to approve the minutes from January 30, 2024. **Motion carried by voice vote.**

Vice Chairman Cannon put the committee at ease at 9:03 A.M.

Vice Chairman Cannon resumed the meeting at 9:06 A.M.

RS 31095: **Rep. Ehlers** presented **RS 31095**, proposed legislation providing a penalty to taxpayers if they claim more than one homestead exemption and also allows the Idaho Secretary of State access to the database in order to clarify if the taxpayer is voting and/or running for office at their primary address.

MOTION: **Rep. Durrant** made a motion to introduce **RS 31095**.

In response to questions, **Rep. Ehlers** indicated he is working to provide the scope of how many instances exist of taxpayers claiming more than one homestead exemption. Rep. Ehlers addressed a scenario of a married couple living separately, filing taxes separately, may split the homeowner's exemption but not claim the total amount twice. He shared the information provided to the Secretary of State will come from the county to the Idaho State Tax Commission.

**VOTE ON
MOTION:** **Vice Chair Cannon** called for a vote on the motion to introduce **RS 31095**. **Motion carried by voice vote.**

**DOCKET NO.
35-0103-2301:** **Kathlynn Ireland**, Property Tax Policy Specialist, Idaho State Tax Commission, presented **Docket No. 35-0103-2301**, stating, this is a full chapter rewrite of the Property Tax Administrative Rule. They met with many stakeholders and removed redundant information, restrictive rules, and redrafted several sections for ease of reading. Ms. Ireland indicated no substantive changes were made, however, the removal of examples generated a significant amount of discussion. The solution the commission arrived at was to provide a link in the rule to examples which will be date stamped on their website.

In response to committee questions, **Kathlynn Ireland** remarked, in her personal opinion, this rule is a better product because of the comprehensive review, removal of obsolete rules, collaboration with stakeholders, and putting the text into plain language.

MOTION: **Rep. Weber** made a motion to approve **Docket No. 35-0103-2301**.

In response to committee questions, **Kathlynn Ireland** shared there were a large number of concerns about removing the examples from the rule and she also explained how the examples came to be placed in the rule initially, why the consensus was to remove them and provide a link to examples in the rule. She stated there is nothing in the rule to suggest taxes should increase but the purpose of the rule is only to assist County Clerks and Treasurers to perform their responsibilities appropriately. There are areas that changed to adjust to current real estate trends and to allow for adequate information gathering. Ms. Ireland provided the process of obtaining a range of 90 - 110% of market value and acknowledged there is an inherent error in studies, however, it is a mathematical, statistical response to recognize they are in the recommended range.

Hollie Ann Strang, Gem County Assessor, testified in support of **Docket No. 35-0103-2301**, stating, she had concerns with the removal of the examples in the rule, however, having a date stamp included on the examples provided on the website helps alleviate the apprehensiveness she had for removing them from the rule.

VOTE ON MOTION:

Vice Chair Cannon called for a vote on the motion to approve **Docket No. 35-0103-2301**. **Motion carried by voice vote.**

ADJOURN:

There being no further business to come before the committee, the meeting adjourned at 9:39 A.M.

Representative Cannon
Vice Chair

Lisa Hendricks
Secretary