TITLE 63
REVENUE AND TAXATION

CHAPTER 28
TAXATION OF PROFITS OF MINES

63-2801. VALUATION OF MINES FOR TAXATION. All mines and mining claims, both placer and rock in place, containing or bearing gold, silver, copper, lead, coal or other valuable mineral or metal deposits, after purchase thereof from the United States, shall be taxed at the price paid the United States therefor, unless the surface ground, or some part thereof, of said mine or mining claim is used for other than mining purposes, and has a separate and independent value for such other purposes, in which case said surface ground or any part thereof so used for other than mining purposes, shall be taxed at its value for such other purposes, and all machinery used in mining, and all property and surface improvements upon mines or mining claims, which have a value separate and independent of such mines or mining claims and the net annual proceeds of all mines and mining claims shall be taxed: provided, that nothing in this chapter contained must be construed so as to exempt from taxation improvements, buildings, erections, structures or machinery placed upon any mining claims, or used in connection therewith: provided that all mineral rights reserved to any grantor, except the United States or the state of Idaho, by the terms of any conveyance of lands other than lands acquired under the mining laws of the United States shall be assessed for taxation purposes at the rate of not less than five dollars ($5.00) per acre of the mineral rights so reserved, to be assessed against the recorded owner thereof. When, in the opinion of the county assessor, the value of reserved mineral rights does not warrant the expenditure to appraise and assess such value, such de minimis values need not be appraised or assessed, but the failure to assess such values does not constitute a failure to pay such taxes on the part of the owner, and does not constitute a delinquency on the part of the owner.

[(63-2801) 1903, p. 4, sec. 1, and last sentence of sec. 8; compiled and reen. R.C., sec. 1863; reen. C.L., sec. 1863; I.C.A., sec. 61-2301; am. 1937, ch. 70, sec. 1, p. 94; am. 1941, ch. 159, sec. 1, p. 317; am. 1988, ch. 212, sec. 1, p. 402.]

63-2802. NET PROFITS DEFINED. The term "net profits," as employed in this chapter, means the amount of money received from the mining of said metals or minerals from said mine or mining claim, after the deduction of the actual expenditure of money and labor in and about extracting the metals and minerals from the mine or mining claim, and transporting the same to the mill, concentrator or reduction works, and the reduction thereof, and the conversion of the same into money, or its equivalent, and also the deduction of all moneys expended for necessary labor, machinery and supplies needed and used in the mining operations, for the improvements necessary in and about the mine or mining claim, for reducing ores, for the construction of the mills and reduction works used and operated in connection with the mine or mining claim, for transporting the ore, and for extracting the metals and minerals therefrom; but the money invested in the mine, or improvements made during any year except the year immediately preceding such statement, must not be included therein. Such expenditures do not include the salaries, or

any portion thereof, of any person or officers not actually engaged in the working of the mine, or personally superintending the management thereof.

[(63-2802) 1903, p. 4, sec. 4; reen. R.C. & C.L., sec. 1864; C.S., sec. 3361; I.C.A., sec. 61-2302.]

63-2803. STATEMENT OF NET PROFITS. Every person, corporation or association engaged in mining upon any quartz vein or lode, or placer mining claim, containing gold, silver, copper, lead, coal or other precious and valuable minerals or metals, or mineral or metal deposits, must, between the first day of January and the first day of May in each year, make out a statement of the net profits derived from the mining of said metals or minerals, from each mine or mining claim owned or worked by such person, or from each group of mines or mining claims worked by a common system of development, during the year preceding the first day of January. Such statement must be verified by the oath of such person, or superintendent or managing agent of such corporation or association, who must deliver the same to the assessor of the county in which such mines are situated.

[(63-2803) 1903, p. 4, sec. 2; reen. R.C. & C.L., sec. 1865; C.S., sec. 3362; I.C.A., sec. 61-2303.]

63-2804. STATEMENT AS TO ENTIRE GROUP. Where the same person or company or association is operating two (2) or more mining claims under one (1) general system of mining or development, the product of which group of mines is mingled and treated as one (1) mining operation, the statement of the owner provided herein to be made, and the assessment provided herein to be made by the assessor, shall be made as to such entire group, and need not be made as to each particular mining claim constituting said group.

[(63-2804) 1903, p. 4, sec. 5; reen. R.C. & C.L., sec. 1866; C.S., sec. 3363; I.C.A., sec. 61-2304.]

63-2805. FALSE STATEMENTS CONSTITUTE PERJURY. If any one herein required to make a statement shall knowingly and wilfully swear to any false statement contained therein, then such person shall be guilty of perjury, and shall be prosecuted and punished as provided for in other cases of perjury.

[(63-2805) 1903, p. 4, sec. 10; reen. R.C. & C.L., sec. 1867; C.S., sec. 3364; I.C.A., sec. 61-2305.]

63-2806. EXAMINATION OF BOOKS -- PENALTY FOR FALSE STATEMENT. The assessor, after such statement has been rendered, shall have the right to examine the books and accounts of any person, corporation or association engaged in mining as mentioned in this chapter, in order to verify the statement made by such person, corporation or association, and if from such examination he finds such statement false, he must assess the net proceeds in the same manner as if no statement had been made and delivered, by making an estimate from the best sources within his reach, and if satisfied that the false statement was intentionally so made, he shall add as a penalty therefor, to the amount of the net proceeds so found, fifty per cent (50%) thereof, which amount thus increased shall constitute the sum upon which the taxes must be levied and collected, and such assessment shall be binding, effectual and lawful, and

the value so fixed by the assessor shall not be reduced by the county board of equalization.

[(63-2806) 1903, p. 4, sec. 8; reen. R.C., part of sec. 1868; reen. C.L., sec. 1868; C.S., sec. 3365; I.C.A., sec. 61-2306.]

63-2807. CONFIDENTIAL INFORMATION -- PENALTY FOR DISCLOSURE. All information derived from any examination of the books and accounts made pursuant to this chapter by the assessor, or anyone acting for him or representing him, shall be deemed to be and held as confidential communications not to be communicated to any other person by the person making such examination, or anyone to whom the knowledge of such examination or facts therein disclosed shall come, except when it becomes necessary as a part of the performance of the public duty of such person to disclose the same in any proceeding affecting the validity of said assessment or taxation, or for the prosecution for perjury of the person required to make the statement mentioned in this chapter. Any person or officer making such disclosure or violating such confidence, except as herein provided, shall be deemed guilty of a felony, and upon conviction thereof shall be removed from office and punished as in case of other felonies.

[(63-2807) 1903, p. 4, sec. 8; am. R.C., part of sec. 1868; reen. C.L., sec. 1868a; C.S., sec. 3366; I.C.A., sec. 61-2307.]

63-2808. ASSESSMENT WITHOUT STATEMENT. If any person, corporation or association, engaged in mining as mentioned in this chapter, refuses or neglects to make and deliver to the assessor of the county where the mines are located, the statement mentioned in this chapter, such assessor must list the property and assess, according to his knowledge and information, the amount of said tax in the manner provided by the law for the assessment of other property where no statement is furnished.

[(63-2808) 1903, p. 4, sec. 7; reen. R.C. & C.L., sec. 1869; C.S., sec. 3367; I.C.A., sec. 61-2308.]

63-2809. ASSESSMENT BOOK. The assessor must prepare at the time of the preparation of the general assessment book, another assessment book called the assessment book of the net profits of mines, alphabetically arranged, in which must be listed the net profits of all the mines in his county, and in which must be specified in separate columns and under appropriate heads:

1. The name of the owner or owners of the mines.
2. The name, description and location of the mine.
3. The number of tons extracted during the year.
4. The gross yield or value in dollars and cents.
5. The actual cost of extracting the same from the mine.
6. The actual cost of transportation to the place of reduction or sale.
7. The actual cost of reduction or sale.
8. The cost of construction of betterments and repair of mines and reduction works during the year.
9. The net profits in dollars.
10. The total amount of taxes.

[(63-2809) 1903, p. 4, sec. 3; reen. R.C. & C.L., sec. 1870; C.S., sec. 3368; I.C.A., sec. 61-2309.]

63-2810. GENERAL DUTIES OF OFFICERS. The duties of the assessor, tax collector, county auditor, state tax commission and the county board of equalization, as to the assessment of the net profits of mines, the statements and returns to be made, the equalization thereof, and other official acts, are the same as those provided by the laws of this state for the assessment of other property.

[(63-2810) 1903, p. 4, sec. 6; reen. R.C. & C.L., sec. 1871; C.S., sec. 3369; I.C.A., sec. 61-2310; am. 1969, ch. 455, sec. 81, p. 1205.]

63-2811. COLLECTION OF TAX LIEN. The tax mentioned in the preceding sections must be collected, and payment thereof enforced, as the collection and enforcement of other taxes are provided for, and every such tax is a lien upon the mine or mining claim from which the ores or minerals are extracted, which lien attaches on the first day of January of each year, and the sale thereof for delinquent taxes may be made as provided for the sale of real estate for delinquent taxes.

[(63-2811) 1903, p. 4, sec. 9; reen. R.C. & C.L., sec. 1872; C.S., sec. 3370; I.C.A., sec. 61-2311; am. 1969, ch. 455, sec. 82, p. 1205.]

CHAPTER 29
THE IDAHO CORPORATE HEADQUARTERS INCENTIVE ACT OF 2005 -- [REPEALED]