

TITLE 67
STATE GOVERNMENT AND STATE AFFAIRS

CHAPTER 49
AUDITORIUM DISTRICTS

67-4901. PURPOSE OF ACT. It is hereby declared that the organization of auditorium or community center districts, having the purposes and powers provided in this act, will serve the public need and use and will promote the prosperity, security and general welfare of the inhabitants of said districts.

[67-4901, added 1959, ch. 137, sec. 1, p. 299; am. 1978, ch. 276, sec. 1, p. 667.]

67-4902. DEFINITIONS. An auditorium or community center district is one to build, operate, maintain, market and manage for public, commercial and/or industrial purposes by any available means public auditoriums, exhibition halls, convention centers, sports arenas and facilities of a similar nature, and for that purpose any such district shall have the power to construct, maintain, manage, market and operate such facilities.

A district organized after July 1, 2001, shall consist of a single contiguous area comprising all or part of one (1) or more municipalities or counties.

The word "board" as used in this chapter shall mean the board of directors of a district.

A "qualified elector" of a district, within the meaning of and entitled to vote under this chapter, is a person who resides in the district and is otherwise qualified under section [34-104](#), Idaho Code.

Wherever the term "publication" is used in this chapter it means publication twice, the first time not less than twelve (12) days prior to an election, and the second time not less than five (5) days prior to an election, as provided in section [34-1406](#), Idaho Code.

[67-4902, added 1959, ch. 137, sec. 2, p. 299; am. 1974, ch. 139, sec. 1, p. 1343; am. 1978, ch. 276, sec. 2, p. 668; am. 1995, ch. 118, sec. 90, p. 502; am. 1998, ch. 21, sec. 1, p. 123; am. 2001, ch. 258, sec. 1, p. 927.]

67-4903. JURISDICTION TO ESTABLISH DISTRICTS. The district court sitting in and for any county in this state, or any judge thereof in vacation, is hereby vested with jurisdiction, power and authority to establish districts which may be entirely within or partly within and partly without the judicial district in which said court is located.

[67-4903, added 1959, ch. 137, sec. 3, p. 299.]

67-4904. PETITION -- CONTENTS -- AMENDMENTS. The organization of a district shall be initiated by a petition filed in the office of the clerk of the court vested with jurisdiction, in a county in which the major part of the real property in the proposed district is situated. The petition shall be signed by not less than ten percent (10%) of the qualified electors who reside within the boundaries of the proposed district, and not less than ten

(10) of whom shall reside in each election precinct which is wholly or partially within the boundaries of any such proposed district.

The petition shall set forth:

- (1) The name of the proposed district consisting of a chosen name preceding the words, "auditorium or community center district."
- (2) A general description of the facilities to be constructed and any marketing programs for such facilities within and for the district.
- (3) The estimated cost of the proposed facilities and any marketing programs for such facilities and the estimated annual budget for the proposed district.
- (4) The maximum tax rate that the board will be authorized to levy or impose.
- (5) A general description of the boundaries of the district or the territory to be included therein, with such certainty as to enable a property owner to determine whether or not his property is within the district.
- (6) A prayer for the organization of the district.

No petition with the requisite signatures shall be declared null and void on account of alleged clerical errors or nonmaterial errors in the description of the territory, but the court may at any time permit the petition to be amended to conform to the facts by correcting any clerical or nonmaterial errors in the description of the territory, or in any other particular. Similar petitions or duplicate copies of the same petition for the organization of the same district may be filed and shall together be regarded as one (1) petition. All such petitions filed prior to the hearing on the first petition filed, shall be considered by the court the same as though filed with the first petition placed on file.

[67-4904, added 1959, ch. 137, sec. 4, p. 299; am. 1963, ch. 95, sec. 1, p. 312; am. 1978, ch. 20, sec. 1, p. 40; am. 1978, ch. 276, sec. 3, p. 668; am. 1998, ch. 21, sec. 2, p. 124; am. 2001, ch. 258, sec. 2, p. 927.]

67-4905. BOND OF PETITIONERS. At the time of filing the petition or at any time subsequent thereto, and prior to the time of hearing on said petition a bond shall be filed, with security approved by the court, sufficient to pay all expenses connected with the proceedings in case the organization of the district is not effected. If at any time during the proceeding the court shall be satisfied that the bond first executed is insufficient in amount, it may require the execution of an additional bond within a time to be fixed, not less than ten (10) days distant, and upon failure of the petitioner to execute the same, the petition shall be dismissed.

[67-4905, added 1959, ch. 137, sec. 5, p. 299.]

67-4906. NOTICE OF HEARING ON PETITION -- JURISDICTION. Immediately after the filing of such petition, the court wherein such petition is filed or a judge thereof in vacation, shall by order fix a place and time, not less than twenty (20) days nor more than forty (40) days after the petition is filed, for hearing thereon and thereupon the clerk of said court shall cause notice by publication to be made of the pendency of the petition and of the time and place of hearing thereon; the clerk of said court shall also forthwith cause a copy of said notice to be mailed by U.S. registered mail to the board of county commissioners of each of the several counties and to the governing body of each municipality having territory within the proposed district.

The district court in and for the county in which the petition for the organization of district has been filed, shall thereafter for all purposes of this act, except as hereinafter otherwise provided, maintain and have original and exclusive jurisdiction, coextensive with the boundaries of the district, and of the real property proposed to be included in said district or affected by said district without regard to the usual limits of its jurisdiction.

No judge of such court wherein such petition is filed shall be disqualified to perform any duty imposed by this act by reason of ownership of property within any proposed district.

[67-4906, added 1959, ch. 137, sec. 6, p. 299.]

67-4907. HEARINGS ON PETITIONS -- ELECTION FOR ORGANIZATION AND OFFICERS. On the day fixed for such hearing or at an adjournment thereof the court shall, if the petition proposes a property tax, ascertain from the tax rolls of the county or counties in which the district is located or into which it extends, the total number of taxpayers within the proposed district, who pay a general tax on real property owned by him or her within the district.

If the court finds that no petition has been signed and presented in conformity with this chapter, or that the material facts are not as set forth in the petition filed, it shall dismiss said proceedings and adjudge the costs against the signers of the petition in such proportion as it shall deem just and equitable. No appeal or writ of error shall lie from an order dismissing said proceedings; but nothing herein shall be construed to prevent the filing of a subsequent petition or petitions for similar improvements or for a similar district, and the right so to renew such proceedings is hereby expressly granted and authorized.

Any time after the filing of the petition for the organization of a district and before the day fixed for the hearing thereon, the owner or owners of any real property within the proposed district may file a petition with the district court stating reasons why said property should not be included therein, why his land or any part thereof will not be benefited directly or indirectly by the proposed district, or should not be embraced in said district and made liable to taxation therefor, and praying that said property be excluded therefrom. Such petition shall be duly verified and shall describe the property sought to be excluded. The court shall conduct a hearing on said petition and shall hear all objections to the inclusion in the district of any lands described in said petition. In case any owner of real estate included in said proposed district shall satisfy the court that his real estate, or any part thereof, has been wrongfully included therein or will not be benefited thereby then the court shall exclude such real estate as will not be benefited.

Upon said hearing, if it shall appear that a petition for the organization of a district has been signed and presented as hereinabove provided, in conformity with this chapter, and that the allegations of the petition are true, the court shall, by order duly entered of record, direct that the question of the organization of the district shall be submitted to the qualified electors of the district at an election to be held, subject to the provisions of section [34-106](#), Idaho Code, for that purpose, and such order shall direct the county clerk to appoint election officials of the election. The county clerk of the county having jurisdiction shall give published notice of the time and place of an election to be held in the district.

Such election shall be held and conducted in accordance with the provisions of [title 34](#), Idaho Code.

At any time after the filing of the petition herein referred to and before the day fixed for hearing, nominees for the board of directors of the district may be nominated by the filing of a petition designating the name or names of the nominee or nominees, signed by at least five (5) qualified electors of the district. If upon the hearing as herein provided the court shall order an election for the creation of the district, the court shall also ascertain the names of persons nominated by the board of directors, and shall order that the names of persons whom the court finds to have been properly nominated shall be listed upon a ballot submitted to the electors at such election. In the event the court makes its order providing for such election, it shall prescribe the form of the question and ballot relating to the election of the directors, provided that all matters may be contained upon one (1) ballot to be submitted to the voters.

At such election the voters shall vote for or against the organization of the district, and for five (5) qualified electors, who shall constitute the board of directors of the district, if organized, one (1) director to act until the first biennial election, two (2) until the second, and two (2) until the third biennial election.

The county board of canvassers shall certify the returns of the election to the district court having jurisdiction. If a majority of the votes cast at said election are in favor of the organization, the district court shall declare the district organized and give it a corporate name by which, in all proceedings, it shall thereafter be known, and designated the first board of directors elected, and thereupon the district shall be a governmental subdivision of the state of Idaho and a body corporate with all the powers of a public or quasi-municipal corporation except that districts formed prior to January 1, 1987, or districts with twenty-five thousand (25,000) or more population shall have no power to levy and collect property taxes.

If an order be entered establishing the district, such order shall be deemed final and no appeal or writ of error shall lie therefrom, and the entry of such order shall finally and conclusively establish the regular organization of the said district against all persons except the state of Idaho, in an action in the nature of a writ of quo warranto, commenced by the attorney general within thirty (30) days after said decree declaring such district organized as herein provided, and not otherwise. The organization of said district shall not be directly or collaterally questioned in any suit, action or proceeding except as herein expressly authorized.

[67-4907, added 1959, ch. 137, sec. 7, p. 299; am. 1987, ch. 70, sec. 1, p. 130; am. 1995, ch. 118, sec. 91, p. 502; am. 1998, ch. 21, sec. 3, p. 124; am. 2001, ch. 258, sec. 3, p. 928; am. 2009, ch. 341, sec. 148, p. 1070.]

67-4908. QUALIFICATION OF MEMBERS OF BOARD. Whenever a district has been declared duly organized, the members of the board shall qualify by filing with the clerk of court their oaths of office, and corporate surety bonds at the expense of the district in an amount not to exceed \$1,000 each, the form thereof to be fixed and approved by the court, conditioned for the faithful performance of their duties as directors.

[67-4908, added 1959, ch. 137, sec. 8, p. 299.]

67-4909. ORGANIZATION OF BOARD -- ACCOUNTS OF TREASURER -- COMPENSATION OF MEMBERS -- ANNUAL AUDIT -- REMOVAL OF DIRECTORS. After taking oath and filing bonds, the board shall choose one (1) of its members as chairman of the board and president of the district, and shall elect a secretary and a treasurer of the board and of the district, who may or may not be members of the board. The secretary and the treasurer may be one (1) person. Such board shall adopt a seal and the secretary shall keep, in a well-bound book, a record of all its proceedings, minutes of all meetings, certificates, contracts, bonds given by employees and all corporate acts which shall be open to inspection to all interested parties.

The treasurer shall keep strict and accurate accounts of all money received by and disbursed for and on behalf of the district, in permanent records. He shall file with the clerk of the court, at the expense of the district, a corporate fidelity bond in an amount not less than five thousand dollars (\$5,000), conditioned on the faithful performance of the duties of his office.

Each member of the board shall receive as compensation for his service a sum not in excess of sixty dollars (\$60.00) per annum. No member of the board shall receive any compensation as an employee of the district or otherwise, other than that herein provided and no member of the board shall be interested in any contract or transaction with the district except in his official representative capacity.

It shall be the duty of the board of directors to cause an audit to be made of all financial affairs of the district during each year ending November 30th as required in section [67-450B](#), Idaho Code.

The court having jurisdiction of the district shall have the power to remove directors for cause shown, on petition, notice and hearing.

[67-4909, added 1959, ch. 137, sec. 9, p. 299; am. 1987, ch. 70, sec. 2, p. 132; am. 1992, ch. 15, sec. 1, p. 39; am. 1993, ch. 387, sec. 16, p. 1435.]

67-4910. MEETINGS -- VACANCIES. The board shall meet regularly once each month at a time and in a place to be designated by the board. Special meetings may be held as often as the needs of the district require, on notice to each member of the board. Three (3) members of the board shall constitute a quorum at any meeting. Any vacancy on the board shall be filled by the remaining members or member of the board, the appointee to act until the next biennial election when the vacancy shall be filled by election. If the board shall fail, neglect or refuse to fill any vacancy within thirty (30) days after the same occurs, the court having jurisdiction shall fill such vacancy.

[67-4910, added 1959, ch. 137, sec. 10, p. 299.]

67-4911. ELECTIONS -- TERMS OF OFFICE. (1) On an election date as provided for in section [34-106](#)(1), Idaho Code, in May of the first odd-numbered year after the organization of any district, and every second year thereafter, an election shall be held, which shall be known as the biennial election of the district.

(2) At the first biennial election in any district hereafter organized, and each sixth year thereafter, there shall be elected by the qualified electors of the district, one (1) member of the board to serve for a term of six (6) years; at the second biennial election and each sixth year thereafter,

there shall be elected two (2) members of the board to serve for terms of six (6) years, and at the third biennial election, and each sixth year thereafter, there shall be elected two (2) members of the board to serve for terms of six (6) years. Provided, a member of the board once in office shall serve until his successor is elected, qualified and takes office.

(3) Nominations may be filed during the time period provided in section [34-1404](#), Idaho Code. The county clerk shall provide for holding such election and shall appoint judges to conduct it. The county clerk shall give notice of election by publication, and shall arrange such other details in connection therewith. Adequate polling places shall be provided throughout the district boundaries for all elections.

(4) The returns of the election shall be certified to and shall be canvassed and declared by the board of county commissioners which shall report the results to the district. The candidate or candidates, according to the number of directors to be elected, receiving the most votes, shall be elected. Any new member of the board shall qualify in the same manner as members of the first board qualify.

(5) In any election for director, if after the deadline for filing a declaration of intent as a write-in candidate it appears that the number of qualified candidates who have been nominated is equal to the number of directors to be elected, it shall not be necessary for the candidates to stand for election and the board shall declare such candidates elected as directors and the secretary of the board shall immediately make and deliver to such persons certificates of election signed by him and bearing the seal of the district.

[67-4911, added 1959, ch. 137, sec. 11, p. 299; am. 1974, ch. 139, sec. 2, p. 1343; am. 1995, ch. 118, sec. 92, p. 504; am. 2001, ch. 258, sec. 4, p. 929; am. 2009, ch. 341, sec. 149, p. 1072; am. 2011, ch. 11, sec. 26, p. 37; am. 2025, ch. 113, sec. 26, p. 613.]

67-4912. GENERAL POWERS OF BOARD. For and on behalf of the district the board shall have the following powers:

- (a) To have perpetual existence;
- (b) To have and use a corporate seal;
- (c) To sue and be sued, and be a party to suits, actions, and proceedings;
- (d) Except as otherwise provided in this chapter, to enter into contracts and agreements, cooperative and otherwise, affecting the affairs of the district, including contracts with the United States of America and any of its agencies or instrumentalities, and contracts with corporations, public or private, municipalities, or governmental subdivisions, and to cooperate with any one (1) or more of them in building, erecting, marketing or constructing facilities within the district. Except in cases in which a district will receive aid from a governmental agency, purchasing shall be accomplished in accordance with the provisions of [chapter 28, title 67](#), Idaho Code;
- (e) To borrow money and incur indebtedness and evidence the same by certificate, notes or debentures, and to issue bonds, in accordance with the provisions of this chapter;
- (f) To acquire, dispose of and encumber real and personal property, and any interest therein, including leases and easements within said district;
- (g) To refund any bonded indebtedness of the district without any election; provided, however, that the obligations of the district shall not be

increased by any refund of bonded indebtedness. Otherwise the terms and conditions of refunding bonds shall be substantially the same as those of an original issue of bonds;

(h) To have the management, control and supervision of all the business and affairs of the district, and the construction, installation, operation and maintenance of district facilities therein or therefor;

(i) To hire and retain agents, employees, engineers and attorneys;

(j) To construct and maintain works and establish and maintain facilities across or along any public street or highway, and in, upon or over any vacant public lands, which public lands are now, or may become, the property of the state of Idaho, and to construct works and establish and maintain facilities across any stream of water or watercourse; provided, however, that the district shall promptly restore any such street or highway to its former state of usefulness as nearly as may be, and shall not use the same in such manner as to completely or unnecessarily impair the usefulness thereof;

(k) To fix and from time to time to increase or decrease rates, tolls or charges for services or facilities furnished by the district, and to pledge such revenue for the payment of any indebtedness of the district. The board shall fix rates, tolls and charges;

(l) To petition to enlarge the district by obtaining the consent of not less than ten percent (10%) of the qualified electors of any area to be so included, and then to follow the procedure set forth herein for creating said district;

(m) To promote any functions for said district, provided that said board shall not engage in operations that are inconsistent with the purpose of said district; and it shall be the policy of the board not to compete with existing facilities and services in the district, wherever practicable;

(n) To adopt and amend bylaws not in conflict with the constitution and laws of the state for carrying on the business, objects and affairs of the board and of the districts;

(o) To have and exercise all rights and powers necessary or incidental to or implied from the specific powers granted herein, except that districts formed prior to January 1, 1987, or districts with twenty-five thousand (25,000) or more population shall have no power to levy and collect property taxes. Such specific powers shall not be considered as a limitation upon any power necessary or appropriate to carry out the purposes and intent of this chapter.

[67-4912, added 1959, ch. 137, sec. 12, p. 299; am. 1978, ch. 276, sec. 4, p. 669; am. 1987, ch. 70, sec. 3, p. 133; am. 1998, ch. 21, sec. 4, p. 126; am. 2005, ch. 213, sec. 38, p. 679.]

67-4913. TAXES. In addition to the other means providing revenue for such districts as herein provided, in those districts formed after January 1, 1987, or in those districts with twenty-five thousand (25,000) or fewer population, the board shall have power and authority to levy and collect property taxes on and against all taxable property within the district, provided said property taxes shall not exceed a levy of four-hundredths percent (.04%) of market value for assessment purposes for all levies provided in sections [67-4913](#), [67-4914](#), [67-4915](#), [67-4916](#) and [67-4917](#), Idaho Code; provided that for any auditorium district established after July 1, 2001, such property tax shall not exceed the maximum tax rate authorized in the petition. Districts with a population of more than twenty-five thousand

(25,000) persons shall not have the power and authority to levy and collect property taxes on and against all taxable property within the district.

[67-4913, added 1959, ch. 137, sec. 13, p. 299; am. 1978, ch. 21, sec. 1, p. 42; am. 1987, ch. 70, sec. 4, p. 134; am. 1998, ch. 21, sec. 5, p. 127; am. 2001, ch. 258, sec. 5, p. 930.]

67-4914. LEVY AND COLLECTION OF TAXES. To levy and collect taxes as herein provided, the board of a district authorized to levy and collect ad valorem taxes shall, in each year, determine the amount of money necessary to be raised by taxation, taking into consideration other sources of revenue of the district, and shall fix a rate of levy which, when levied upon every dollar of market value for assessment purposes of taxable property within the district, and with other revenues will raise the amount required by the district annually, to supply funds for paying expenses of organization and the costs of construction, operating and maintaining the works and equipment of the district, and promptly to pay in full, when due, all interest on the principal of bonds and other obligations of the district, and in the event of accruing defaults or deficiencies, an additional levy may be made as provided in section [67-4915](#). The board shall, on or before the first day of September of each year, certify to the board of county commissioners of each county within the district, or having a portion of its territory within the district, the rate so fixed with directions that at the time and in the manner required by law for levying taxes for county purposes, such board of county commissioners shall levy such tax upon the market value for assessment purposes of all taxable property within the district, in addition to such other taxes as may be levied by such board of county commissioners at the rate so fixed and determined.

[67-4914, added 1959, ch. 137, sec. 14, p. 299; am. 1987, ch. 70, sec. 5, p. 134.]

67-4915. LEVIES TO COVER DEFAULTS AND DEFICIENCIES. The board of a district authorized to levy and collect ad valorem taxes in certifying annual levies as herein provided, shall take into account the maturing indebtedness for the ensuing year as provided in its contracts, maturing bonds and interest on bonds, and deficiencies and defaults of prior years, and shall make ample provision for the payment thereof. In case the moneys produced from such levies, together with other revenues of the district are not sufficient punctually to pay the annual instalments on its contracts or bonds, and interest thereon, and to pay defaults and deficiencies, then the board shall make such additional levies of taxes as may be necessary for such purposes, and notwithstanding any limitations, such taxes shall be made and continue to be levied until the indebtedness of the district shall be fully paid.

[67-4915, added 1959, ch. 137, sec. 15, p. 299; am. 1987, ch. 70, sec. 6, p. 135.]

67-4916. OFFICERS TO LEVY AND COLLECT TAXES. It shall be the duty of the body having authority to levy taxes within each county, to levy the taxes of a district authorized to levy and collect ad valorem taxes as provided in this act and it shall be the duty of all officials charged with the duty of collecting taxes to collect such taxes at the time and in the form and manner and with like interest and penalties as other taxes are collected and when col-

lected to pay the same to the district ordering its levy and collection, and the payment of such collections shall be made monthly to the treasurer of the district and paid into the depository thereof to the credit of the district.

[67-4916, added 1959, ch. 137, sec. 16, p. 299; am. 1978, ch. 276, sec. 5, p. 671; am. 1987, ch. 70, sec. 7, p. 135.]

67-4917. SINKING FUND. Whenever any indebtedness has been incurred by a district authorized to levy and collect ad valorem taxes, it shall be lawful for the board to levy taxes and collect revenue for the purpose of creating a reserve fund in such amount as the board may determine, which may be used to meet the obligations of the district, for maintenance and operating charges and depreciation, and provide extensions of and betterments to the improvements of the district.

[67-4917, added 1959, ch. 137, sec. 17, p. 299; am. 1987, ch. 70, sec. 8, p. 135.]

67-4917A. PURPOSES. The purposes of this act are to provide authority to auditorium or community center districts organized under [chapter 49, title 67](#), Idaho Code, to levy and collect a "hotel/motel room sales tax" on the receipts derived by hotels and motels within the district from the furnishing of hotel and motel rooms, except no tax shall be imposed where residence therein is maintained continuously under the terms of a lease or similar agreement for a period in excess of thirty (30) days; and to provide for the levy of such sales tax in addition to the levy by a district authorized to levy and collect ad valorem taxes; and to provide for the collection, administration and remittance of said taxes by the state tax commission on behalf of an auditorium or community center district.

[67-4917A, added 1978, ch. 277, sec. 1, p. 673; am. 1987, ch. 70, sec. 9, p. 136; am. 1988, ch. 174, sec. 3, p. 305.]

67-4917B. HOTEL/MOTEL ROOM SALES TAX. The board shall have power and authority to levy a sales tax of not to exceed five percent (5%) of the receipts derived by hotels and motels within the district from the furnishing of hotel and motel rooms, except no tax shall be imposed where residence therein is maintained continuously under the terms of a lease or similar agreement for a period in excess of thirty (30) days, and except that no tax shall be charged on the sale of rooms by the Idaho Ronald McDonald House; provided that for any auditorium district established after July 1, 2001, such sales tax shall not exceed the maximum tax rate authorized in the petition. The levy and collection of said sales tax shall not be subject to the limitations or other provisions of sections [67-4913](#), [67-4914](#), [67-4915](#) and [67-4916](#), Idaho Code. The revenues received by the district from such sales tax shall be deposited in the depository of the district. Promptly following the adoption by the board of the resolution to levy such tax, the secretary of the board shall certify to the state tax commission that such levy has been adopted and shall state the effective date thereof and shall transmit to the commission a certified copy of such resolution. The effective date of any such levy shall not be earlier than the first day of the month not less than sixty (60) days following certification of such levy to the commission.

[67-4917B, added 1978, ch. 277, sec. 2, p. 674; am. 1987, ch. 70, sec. 10, p. 136; am. 1988, ch. 174, sec. 4, p. 305; am. 1995, ch. 219, sec. 1, p. 762; am. 2001, ch. 258, sec. 6, p. 931.]

67-4917C. COLLECTION AND ADMINISTRATION OF HOTEL/MOTEL ROOM SALES TAX BY STATE TAX COMMISSION -- DISTRIBUTION. (1) A district which has levied a sales tax pursuant to section [67-4917B](#), Idaho Code, may contract with the state tax commission for the collection and administration of the tax in like manner, and under the definitions and rules of said commission for the collection and administration of the state sales tax under [chapter 36, title 63](#), Idaho Code, on receipts from the furnishing of hotel and motel rooms. A district which levies such tax shall have the right to review and audit the records of collection thereof maintained by the commission and the returns of hotel and motel owners and operators. Alternatively, such district shall have authority to administer and collect such tax.

(2) All revenues collected by the tax commission pursuant to section [67-4917B](#), Idaho Code, shall be distributed as follows:

(a) An amount of money shall be distributed to the state refund account sufficient to pay current refund claims. All refunds authorized by the tax commission to be paid shall be paid through the state refund account and those moneys are continuously appropriated.

(b) An amount of money equal to the actual cost of the collection and administration of the tax imposed by the provisions of this section shall be retained by the tax commission. The amount retained by the commission shall not exceed the amount authorized to be expended by appropriation by the legislature. Any unencumbered balance in excess of the actual cost at the end of each fiscal year shall be distributed as provided by paragraph (c) of this subsection.

(c) All remaining moneys received pursuant to this chapter shall be placed in an account designated by the state controller and remitted monthly to the district levying the tax.

[67-4917C, added 1978, ch. 277, sec. 3, p. 674; am. 1979, ch. 101, sec. 1, p. 246; am. 1986, ch. 73, sec. 20, p. 219; am. 1994, ch. 180, sec. 217, p. 555.]

67-4918. INCLUSION OF PROPERTY PETITIONED -- HEARING -- ORDER. The boundaries of any district organized under the provisions of this act may be changed in the manner herein prescribed, but the change of boundaries of the district shall not impair or affect its organization or its rights in or to property, or any of its rights or privileges whatsoever, except that no district organized prior to January 1, 1987, shall ever have the power to levy and collect property taxes, even though the boundaries of the district may be adjusted to reduce the population of the district to less than one hundred thousand (100,000); nor shall it affect or impair or discharge any contract, obligation, lien or charge for or upon which it might be liable or chargeable had any such change of boundaries not been made; and provided further, no auditorium district established after July 1, 2001, shall levy or impose a type of tax not authorized in the petition.

[67-4918, added 1959, ch. 137, sec. 18, p. 299; am. 1987, ch. 70, sec. 11, p. 136; am. 2001, ch. 258, sec. 7, p. 931.]

67-4919. EXCLUSION OF PROPERTY PETITIONED -- HEARING -- ORDER. The owner or owners in fee of any real property constituting a portion of the district may file with the board a petition praying that such lands be excluded and taken from said district. Petitions shall describe the property which the petitioners desire to have excluded. Such petition must be acknowledged in the same manner and form as required in case of a conveyance of land and be accompanied by a deposit of money sufficient to pay all costs of the exclusion proceedings. The secretary of the board shall cause a notice of filing of such petition to be published in the county in which said property or the major portion thereof is located. The notice shall state the filing of such petition, the names of petitioners, description of the property mentioned in said petition, and the prayer of said petitioners; and it shall notify all persons interested to appear at the office of said board at the time named in said notice, showing cause in writing, if any they have, why said petition should not be granted. The board at the time and place mentioned in the notice, or at the time or times at which the hearing of said petition may be adjourned, shall proceed to hear the petition and all objections thereto, presented in writing by any person showing cause as aforesaid, why the prayer of the petition should not be granted. The filing of such petition shall be deemed and taken as an assent by each and all such petitioners to the exclusion from the district of the property mentioned in the petition or any part thereof. The board, if it deems it not for the best interests of the district that the property mentioned in the petition, or portion thereof, shall be excluded from the district, shall order that said petition be denied, but if it deems it for the best interest of the district that the property mentioned in the petition, or some portion thereof, be excluded from the district, then the board may order the property mentioned in the petition or some portion thereof, excluded from the district. Upon allowance of such petition, the board shall file a certified copy of the order of the board making such a change with the clerk of the court and upon order of the court said property shall be excluded from the district.

[67-4919, added 1959, ch. 137, sec. 19, p. 299.]

67-4920. LIABILITY OF PROPERTY INCLUDED OR EXCLUDED. All real property included within, or excluded from, a district authorized to levy and collect ad valorem taxes shall thereafter be subject to the levy of taxes for the payment of any indebtedness of the district outstanding at the time of inclusion or exclusion.

[67-4920, added 1959, ch. 137, sec. 20, p. 299; am. 1987, ch. 70, sec. 12, p. 137.]

67-4921. ISSUANCE OF NEGOTIABLE COUPON BONDS -- FORM AND TERMS. To carry out the purposes of this act, and to pay the necessary and ordinary expenses of a district authorized to levy and collect ad valorem taxes, the board is hereby authorized to issue negotiable coupon bonds of the district. Bonds shall bear interest at a rate not exceeding that provided by law payable semi-annually, and shall be due and payable serially, either annually or semi-annually, commencing not later than three (3) years and extending not more than thirty (30) years from date. The form and terms of said bonds, including provisions for their payment and redemption, shall be determined by the board. If the board so determines, such bonds may be redeemable prior to maturity upon payment of a premium, not exceeding five

per cent (5%) of the principal thereof. Said bonds shall be executed in the name of and on behalf of the district and signed by the chairman of the board with the seal of the district affixed thereto and attested by the secretary of the board. Said bonds shall be in such denominations as the board shall determine and the bonds and coupons thereto attached shall be payable to bearer. Interest coupons shall bear the original or facsimile signature of the chairman of the board.

[67-4921, added 1959, ch. 137, sec. 21, p. 299; am. 1970, ch. 133, sec. 20, p. 309; am. 1978, ch. 276, sec. 6, p. 671; am. 1987, ch. 70, sec. 13, p. 137.]

67-4922. SUBMISSION OF PROPOSITION TO ELECTORATE. Whenever any board authorized to levy and collect property taxes shall, by resolution, determine that the interest of said district and the public interest or necessity demand the acquisition, construction, installation or completion of any works or other improvements or facilities, or the making of any contract with the United States or other persons or corporations, public or private, municipalities, or governmental subdivisions, to carry out the objects or purposes of said district, requiring the creation of an indebtedness of seventy-five thousand dollars (\$75,000) or more, and in any event when the indebtedness will exceed the income and revenue provided for the year, said board shall order the submission of the proposition of issuing such obligations or bonds, or creating other indebtedness to the qualified electors of the district at an election held for that purpose. The declaration of public interest or necessity herein required and the provision for the holding of such election may be included within one and the same resolution, which resolution, in addition to such declaration of public interest or necessity, shall recite the objects and purposes for which the indebtedness is proposed to be incurred, the estimated cost of the works or improvements, as the case may be, the amount of principal of the indebtedness to be incurred therefor, and the maximum rate of interest to be paid on such indebtedness. Such resolution shall also fix the date upon which such election shall be held, subject to the provisions of section [34-106](#), Idaho Code, and the manner of holding the same in accordance with the provisions of [title 34](#), Idaho Code, and the method of voting for or against the incurring of the proposed indebtedness. Such resolution shall direct the county clerk to designate the polling place or places, and appoint judges of each polling place.

[67-4922, added 1959, ch. 137, sec. 22, p. 299; am. 1974, ch. 139, sec. 3, p. 1343; am. 1987, ch. 70, sec. 14, p. 137; am. 1995, ch. 118, sec. 93, p. 505; am. 2009, ch. 341, sec. 150, p. 1072.]

67-4922A. LEASING OF LAND AND IMPROVEMENTS. No provision of [chapter 49, title 67](#), Idaho Code, shall be construed to prevent the board from entering into a lease for improvements and for real estate for any period in their discretion, not to exceed thirty (30) years, and the board may contract for the leasing of improvements to be constructed upon premises owned by the district or otherwise, and the contract may also provide that at the expiration of the term of the lease, upon full performance of such lease by the district, the improvements and/or real estate, or so much thereof as is leased, may become the property of the district.

[67-4922A, added 1978, ch. 276, sec. 7, p. 671; am. 1987, ch. 70, sec. 15, p. 138.]

67-4923. NOTICE OF ELECTION. The board of a district authorized to levy and collect property taxes shall prescribe the form of the notice of election, and direct the publication of the same, the first publication of said notice to be as prescribed in [chapter 14, title 34](#), Idaho Code.

[67-4923, added 1959, ch. 137, sec. 23, p. 299; am. 1987, ch. 70, sec. 16, p. 138; am. 1995, ch. 118, sec. 94, p. 505; am. 2009, ch. 341, sec. 151, p. 1073.]

67-4924. CONDUCT OF ELECTION -- CANVASS OF RETURNS. The county clerk shall conduct the election in the manner prescribed by the provisions of [chapter 14, title 34](#), Idaho Code, and the returns thereof shall be canvassed and the results certified by the county clerk who shall report the results to the district.

[67-4924, added 1959, ch. 137, sec. 24, p. 299; am. 1987, ch. 70, sec. 17, p. 139; am. 1995, ch. 118, sec. 95, p. 506; am. 2009, ch. 341, sec. 152, p. 1073.]

67-4925. EFFECT OF ELECTION -- SUBSEQUENT ELECTIONS. In the event that it shall appear from said returns that the necessary percentage (as now specified by the constitution of the state of Idaho or as the same may hereafter be amended) of said qualified electors of the district authorized to levy and collect ad valorem taxes who shall have voted on any proposition submitted hereunder at such election voted in favor of such proposition, the district shall thereupon be authorized to incur such indebtedness or obligations, enter into such contract, or issue and sell such bonds of the district, as the case may be, all for the purpose or purposes and object or objects provided for in the proposition submitted hereunder and in the resolution therefor, and in the amount so provided and at a rate of interest not exceeding the rate of interest recited in such resolution. Submission of the proposition of incurring such obligation or bonded or other indebtedness at such an election shall not prevent or prohibit submission of the same or other propositions at subsequent election or elections called for such purpose.

[67-4925, added 1959, ch. 137, sec. 25, p. 299.; am. 1978, ch. 276, sec. 8, p. 672; am. 1987, ch. 70, sec. 18, p. 139.]

67-4926. CORRECTION OF FAULTY NOTICES. In any and every case where a notice is provided for in this act, if the court finds for any reason that due notice was not given, the court shall not thereby lose jurisdiction, and the proceeding in question shall not thereby be void or be abated, but the court shall in that case order due notice to be given and shall continue the hearing until such time as notice shall be properly given, and thereupon shall proceed as though notice has been properly given in the first instance.

[67-4926, added 1959, ch. 137, sec. 26, p. 299.]

67-4928. ELECTIONS -- VALIDATION OF ACTS. Whenever any auditorium district organized under the provisions of [chapter 49, title 67](#), Idaho Code, shall have failed to hold any election provided for in section [67-4911](#), Idaho

Code, for the election of a member or members of the board of directors, the board of directors of said district may order an election to be held, subject to the provisions of section [34-106](#), Idaho Code, in said district for such purpose at such time as may be fixed by resolution of the board.

Whenever any auditorium district has been heretofore created pursuant to the provisions of [chapter 49, title 67](#), Idaho Code, all proceedings had in connection with the creation of such district and the organization of the governing body and all acts and proceedings heretofore taken by such district or its governing body are hereby validated, ratified and declared to be binding and effective in accordance with their terms, notwithstanding any failure to have held and conducted any election of members of the board of directors of said district.

[67-4928, added I.C., sec. 67-4928, as added by S.L. 1974, ch. 139, sec. 5, p. 1343; am. 1995, ch. 118, sec. 96, p. 506.]

67-4929. INCLUSION OR EXCLUSION -- ELECTION PROCEDURE. Whenever under the provisions of sections [67-4918](#) and [67-4919](#), Idaho Code, owners or owners in fee of any real property have petitioned for inclusion or exclusion of property within the district, and the petition has been denied, the petitioners shall be entitled to an election as provided in this section:

(a) A petition may be filed with the county commissioners and shall be signed by not less than eighty percent (80%) of the qualified electors resident within the boundaries of the area proposed to be included or excluded.

(b) Within thirty (30) days after the filing of such petition, the county commissioners shall determine whether or not the same substantially complies with the requirements of this section. If the county commissioners find that there has not been substantial compliance with such requirements, they shall enter an order to that effect specifying the particular deficiencies and dismissing the petition. If the county commissioners find that there has been substantial compliance with such requirements, the county commissioners shall forthwith enter an order to the effect that the question of the inclusion or exclusion of property within the district be placed on the ballot at the next county general election.

(c) If the county commissioners order a question to be placed on the ballot as provided in this section, such election shall be conducted and notice thereof given by the county clerk in accordance with the provisions of [title 34](#), Idaho Code.

(d) Immediately after such election, the county commissioners shall canvass the vote as provided in [chapter 12, title 34](#), Idaho Code. If one-half (1/2) or more of the votes cast at such election within the district are in favor of allowing the inclusion or exclusion, the county commissioners shall enter an order so finding and declaring that the boundaries of such district are revised as provided by the election. The county commissioners shall cause one (1) certified copy of such order to be filed in the office of the county recorder of such county. Immediately upon the entry of such order, the change in boundaries so ordered shall be complete.

(e) After such election, the validity of the proceedings hereunder shall not be affected by any defect in the petition or in the number or qualifications of the signers thereof, and in no event shall any action be commenced or maintained or defense made affecting the validity of the inclusion or exclusion of such property after six (6) months has expired from the date of entering the order declaring the change in boundaries of such district.

(f) The provisions of section [67-4920](#), Idaho Code, relating to liability for indebtedness of included or excluded property of a district authorized to levy and collect property taxes shall apply to property included or excluded as provided in this section.

[67-4929, added 1975, ch. 154, sec. 1, p. 395; am. 1987, ch. 70, sec. 19, p. 139; am. 2009, ch. 341, sec. 153, p. 1073.]

67-4930. DISSOLUTION OF DISTRICT -- PROCEDURE. An auditorium district may be dissolved as follows:

(a) Any person or persons may file a petition for the dissolution of an auditorium district with the clerk. Such petition, which may be in one (1) or more papers, shall state the name of the district and shall be signed by not less than three thousand (3,000) qualified electors resident within the boundaries of the district or fifteen percent (15%) of the total number of qualified electors resident within the boundaries of the district, whichever is less.

(b) Within thirty (30) days after the filing of such petition, the county commissioners shall determine whether or not the same substantially complies with the requirements of this section. If the county commissioners find that there has not been substantial compliance with such requirements, they shall enter an order to that effect specifying the particular deficiencies and dismissing the petition. If the county commissioners find that there has been substantial compliance with such requirements, the county commissioners shall forthwith enter an order to that effect and call an election for the dissolution of such district to be held at the same time as the next county general election, as provided in this section.

(c) If the county commissioners order an election as provided in this section, such election shall be conducted and notice thereof given by the county clerk in accordance with the provisions of [title 34](#), Idaho Code.

(d) Immediately after such election, the county commissioners shall canvass the vote as provided in [chapter 12, title 34](#), Idaho Code. If one-half (1/2) or more of the votes cast at such election are against the dissolution of such district, the county commissioners shall enter an order so finding and declaring that such district shall not be dissolved. If more than one-half (1/2) of the votes cast at such election are in favor of dissolving such district, the county commissioners shall enter an order so finding and declaring such district duly dissolved. The county commissioners shall cause one (1) certified copy of such order to be filed in the office of the county recorder of such county. Immediately upon the entry of such order, the dissolution of such district shall be complete.

(e) Upon such dissolution being complete, title to all property of the dissolved district shall vest in the county where such property is situated. The county commissioners shall then: sell and dispose thereof in the manner provided by law for the sale or disposition of county property; apply the proceeds thereof to pay any lawful claims against the dissolved district, if any; and apply the balance remaining, if any, to any public purpose within the county.

(f) When the boundaries of the district lie in two (2) or more counties, the county commissioners of each county shall act separately in the election and dissolution of that part of the district contained in their county but the county commissioners of each such county shall meet together before calling such election and provide for uniform proceedings in each county. If there is any balance remaining after sale and disposition of the property of

such dissolved district, it shall be prorated among such counties in proportion to each county's share of the total assessed valuation of such dissolved district for the preceding calendar year.

(g) After such election, the validity of the proceedings hereunder shall not be affected by any defect in the petition or in the number or qualifications of the signers thereof, and in no event shall any action be commenced or maintained or defense made affecting the validity of the dissolution of such district after six (6) months has expired from the date of entering the order declaring the dissolution of such district.

[67-4930, added I.C., sec. 67-4930, as added by 1975, ch. 154, sec. 2, p. 395; am. 2009, ch. 341, sec. 154, p. 1074; am. 2024, ch. 165, sec. 1, p. 630.]