

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 173

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1 RELATING TO PROPERTY TAXATION; AMENDING SECTION 63-301A, IDAHO CODE, TO
2 SPECIFY THE USE OF A CERTAIN PERCENT OF THE NEW CONSTRUCTION ROLL AND
3 TO MAKE TECHNICAL CORRECTIONS; AMENDING SECTION 63-811, IDAHO CODE, TO
4 PROVIDE FOR DISTRIBUTION OF CERTAIN MONEYS TO PUBLIC SCHOOLS AND TO PRO-
5 VIDE POWERS TO COUNTIES; AMENDING SECTION 63-811, IDAHO CODE, AS ADDED
6 BY SECTION 14, CHAPTER 339, LAWS OF 2012, TO PROVIDE FOR DISTRIBUTION
7 OF CERTAIN MONEYS TO PUBLIC SCHOOLS AND TO PROVIDE POWERS TO COUNTIES;
8 AMENDING SECTION 63-812, IDAHO CODE, TO REVISE PROVISIONS RELATING TO
9 ACCOUNTING AND COLLECTION OF PROPERTY TAXES; AND PROVIDING EFFECTIVE
10 DATES.
11

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

13 SECTION 1. That Section 63-301A, Idaho Code, be, and the same is hereby
14 amended to read as follows:

15 63-301A. NEW CONSTRUCTION ROLL. (1) The county assessor shall prepare
16 a new construction roll, which shall be in addition to the property roll,
17 which new construction roll shall show:

18 (a) The name of the taxpayer;

19 (b) The description of the new construction, suitably detailed to meet
20 the requirements of the individual county;

21 (c) A description of the land and its change in use, suitably detailed
22 to meet the needs of the individual county;

23 (d) The amount of taxable market value added to the property on the cur-
24 rent year's property roll that is directly the result of new construc-
25 tion or a change in use of the land or both;

26 (e) The amount of taxable market value added as provided in subsection
27 (3) (g) of this section as a result of dissolution of any revenue alloca-
28 tion area;

29 (f) The amount of taxable market value to be deducted to reflect the
30 adjustments required in subparagraphs (i) through (iv) of this subsection ~~(f) (i), (f) (ii), (f) (iii) and~~
31 ~~(f) (iv)~~ (i) through (iv) of this subsection paragraph:

32 (i) Any board of tax appeals or court ordered value change, if
33 property has a taxable value lower than that shown on any new con-
34 struction roll in any one (1) of the immediate five (5) tax years
35 preceding the current tax year;

36 (ii) Any reduction in value resulting from correction of value im-
37 properly included on any previous new construction roll as a re-
38 sult of double or otherwise erroneous assessment;

39 (iii) Any reduction in value, in any one (1) of the immediate five
40 (5) tax years preceding the current tax year, resulting from a
41 change of land use classification;

1 (iv) Any reduction in value resulting from the exemption provided
2 in section 63-602W(4), Idaho Code, in any one (1) of the immediate
3 five (5) tax years preceding the current tax year.

4 (2) As soon as possible, but in any event by no later than the first Mon-
5 day in June, the new construction roll shall be certified to the county audi-
6 tor and a listing showing the amount of value on the new construction roll in
7 each taxing district or unit be forwarded to the state tax commission on or
8 before the fourth Monday in July. Provided however, the value shown in sub-
9 section (3) (f) of this section shall be reported to the appropriate county
10 auditor by the state tax commission by the third Monday in July and the value
11 sent by the county auditor to each taxing district. The value established
12 pursuant to subsection (3) (f) of this section is subject to correction by the
13 state tax commission until the first Monday in September and any such correc-
14 tions shall be sent to the appropriate county auditor, who shall notify any
15 affected taxing districts.

16 (3) The value shown on the new construction roll shall include the tax-
17 able market value increase from:

- 18 (a) Construction of any new structure that previously did not exist; or
19 (b) Additions or alterations to existing nonresidential structures; or
20 (c) Installation of new or used manufactured housing that did not pre-
21 viously exist within the county; or
22 (d) Change of land use classification; or
23 (e) Property newly taxable as a result of loss of the exemption provided
24 by section 63-602W(3) or (4), Idaho Code; or
25 (f) The construction of any improvement or installation of any equip-
26 ment used for or in conjunction with the generation of electricity and
27 the addition of any improvement or equipment intended to be so used, ex-
28 cept property that has a value allocated or apportioned pursuant to sec-
29 tion 63-405, Idaho Code, or that is owned by a cooperative or municipal-
30 ity, as those terms are defined in section 61-332A, Idaho Code, or that
31 is owned by a public utility, as that term is defined in section 61-332A,
32 Idaho Code, owning any other property that is allocated or apportioned.
33 No replacement equipment or improvements may be included; or
34 (g) Increases in value over the base value of property on the base as-
35 sessment roll within an urban renewal revenue allocation area that has
36 been terminated pursuant to section 50-2909(4), Idaho Code, to the ex-
37 tent that this increment exceeds the incremental value as of December
38 31, 2006, or, for revenue allocation areas formed after December 31,
39 2006, the entire increment value. Notwithstanding other provisions of
40 this section, the new construction roll shall not include new construc-
41 tion located within an urban renewal district's revenue allocation
42 area, except as provided in this ~~subsection (3) (g) paragraph~~; or
43 (h) New construction, in any one (1) of the immediate five (5) tax years
44 preceding the current tax year, allowable but never included on a new
45 construction roll, provided however, that, for such property, the value
46 on the new construction roll shall reflect the taxable value that would
47 have been included on the new construction roll for the first year in
48 which the property should have been included.
49 (i) Formerly exempt improvements on state college or state university
50 owned land for student dining, housing, or other education related pur-

1 poses approved by the state board of education and board of regents of
2 the university of Idaho as proper for the operation of such state col-
3 lege or university provided however, such improvements were never in-
4 cluded on any previous new construction roll.

5 (4) The amount of taxable market value of new construction shall be the
6 change in net taxable market value that is attributable directly to new con-
7 struction or a change in use of the land or loss of the exemption provided by
8 section 63-602W(3) or (4), Idaho Code. It shall not include any change in
9 value of existing property that is due to external market forces such as gen-
10 eral or localized inflation, except as provided in subsection (3) (g) of this
11 section.

12 (5) As provided in section 63-811, Idaho Code, an amount based on fifty
13 percent (50%) of the value of the new construction roll shall be utilized to
14 remit to public schools of this state for bond repayment, building safety and
15 improvements and other safety needs of the public schools.

16 SECTION 2. That Section 63-811, Idaho Code, be, and the same is hereby
17 amended to read as follows:

18 63-811. COMPUTATION OF PROPERTY TAXES -- DUTY OF COUNTY AUDITOR. (1)
19 The county auditor must cause to be computed the amount of the local property
20 taxes levied on the total of the taxable value as entered on the property and
21 operating property rolls, and must deliver the property and operating prop-
22 erty rolls to the tax collector on or before the first Monday of November.
23 For nonschool districts included in such amount shall be the property taxes
24 on fifty percent (50%) of the value on the new construction roll pursuant to
25 section 63-301A(5), Idaho Code, multiplied by the applicable levy rate for
26 all taxing districts which shall be remitted to school districts and pub-
27 lic charter schools shall be distributed to each of the several school dis-
28 tricts and public charter schools located in the county, in the proportion
29 that the average daily attendance of that district or public charter school
30 for the previous school year bears to the total average daily attendance of
31 the county during the previous school year pursuant to figures obtained from
32 the state department of education. Moneys shall be used by the school dis-
33 trict or public charter school for school bond repayments, and other safety
34 needs regarding the public schools. The county shall have the authority to
35 withhold from other taxing districts' budgets in the county the amount of
36 moneys remitted to schools and school districts as provided in this chapter.

37 (2) The county auditor must cause to be computed the amount of the local
38 property taxes levied on the total of the taxable value as entered on the sub-
39 sequent property roll, and must deliver the subsequent property roll to the
40 tax collector as soon as possible, without delay, after the first Monday of
41 December.

42 (3) The county auditor must cause to be computed the amount of the state
43 property tax and the amount of the local property taxes levied on the total
44 taxable value as entered on the missed property roll, and must deliver the
45 missed property roll to the tax collector as soon as possible, without delay,
46 after the first Monday of March of the year following the year in which the
47 assessment was entered on the missed property roll.

48 (4) Except as provided in subsection (1)(a) through (f) of section
49 50-2908, Idaho Code, for the purpose of this section, "taxable value" shall

1 mean the portion of the equalized assessed value, less any exemptions and
 2 the value that exceeds the value of the base assessment roll for the portion
 3 of any taxing district within a revenue allocation area of an urban renewal
 4 district, located within each taxing district which certifies a budget to be
 5 raised from a property tax levy.

6 (5) The county auditor, at the time of delivery to the county tax col-
 7 lector of the property roll, subsequent property roll, missed property roll
 8 or operating property roll with all property taxes computed, must subscribe
 9 an affidavit to such roll that he has to the best of his knowledge and ability
 10 computed the proper amount of property taxes due, and recorded such orders of
 11 the board of equalization as have been made and has made no other changes.

12 (6) Failure of the auditor to make the affidavit shall not affect the
 13 validity of any entry on the roll. The making of such affidavit, however, is
 14 declared to be a duty pertaining to the office of the county auditor. In ev-
 15 ery case where the said affidavit is omitted from the real property assess-
 16 ment roll, completed and delivered as aforesaid, the board of county commis-
 17 sioners must require the county auditor to make the same, and upon refusal or
 18 neglect of such county auditor to make and subscribe to such affidavit forth-
 19 with, the chairman of the said board must immediately file in the district
 20 court in the county, an information in writing, verified by his oath, charg-
 21 ing such county auditor with refusal or neglect to perform the official du-
 22 ties pertaining to his office, and thereupon he must be proceeded against as
 23 in such cases provided by law.

24 SECTION 3. That Section 63-811, Idaho Code, as added by Section 14,
 25 Chapter 339, Laws of 2012, be, and the same is hereby amended to read as fol-
 26 lows:

27 63-811. COMPUTATION OF PROPERTY TAXES -- DUTY OF COUNTY AUDITOR. (1)
 28 The county auditor must cause to be computed the amount of the local property
 29 taxes levied on the total of the taxable value as entered on the property and
 30 operating property rolls, and must deliver the property and operating prop-
 31 erty rolls to the tax collector on or before the first Monday of November.
 32 For nonschool districts included in such amount shall be the property taxes
 33 on fifty percent (50%) of the value on the new construction roll pursuant to
 34 section 63-301A(5), Idaho Code, multiplied by the applicable levy rate for
 35 all taxing districts which shall be remitted to school districts and pub-
 36 lic charter schools shall be distributed to each of the several school dis-
 37 tricts and public charter schools located in the county, in the proportion
 38 that the average daily attendance of that district or public charter school
 39 for the previous school year bears to the total average daily attendance of
 40 the county during the previous school year pursuant to figures obtained from
 41 the state department of education. Moneys shall be used by the school dis-
 42 trict or public charter school for school bond repayments, and other safety
 43 needs regarding the public schools. The county shall have the authority to
 44 withhold from other taxing districts' budgets in the county the amount of
 45 moneys remitted to schools and school districts as provided in this chapter.

46 (2) The county auditor must cause to be computed the amount of the local
 47 property taxes levied on the total of the taxable value as entered on the sub-
 48 sequent property roll, and must deliver the subsequent property roll to the

1 tax collector as soon as possible, without delay, after the first Monday of
2 December.

3 (3) The county auditor must cause to be computed the amount of the state
4 property tax and the amount of the local property taxes levied on the total
5 taxable value as entered on the missed property roll, and must deliver the
6 missed property roll to the tax collector as soon as possible, without delay,
7 after the first Monday of March of the year following the year in which the
8 assessment was entered on the missed property roll.

9 (4) Except as provided in subsection (1)(a) through (e) of section
10 50-2908, Idaho Code, for the purpose of this section, "taxable value" shall
11 mean the portion of the equalized assessed value, less any exemptions and
12 the value that exceeds the value of the base assessment roll for the portion
13 of any taxing district within a revenue allocation area of an urban renewal
14 district, located within each taxing district which certifies a budget to be
15 raised from a property tax levy.

16 (5) The county auditor, at the time of delivery to the county tax col-
17 lector of the property roll, subsequent property roll, missed property roll
18 or operating property roll with all property taxes computed, must subscribe
19 an affidavit to such roll that he has to the best of his knowledge and ability
20 computed the proper amount of property taxes due, and recorded such orders of
21 the board of equalization as have been made and has made no other changes.

22 (6) Failure of the auditor to make the affidavit shall not affect the
23 validity of any entry on the roll. The making of such affidavit, however, is
24 declared to be a duty pertaining to the office of the county auditor. In ev-
25 ery case where the said affidavit is omitted from the real property assess-
26 ment roll, completed and delivered as aforesaid, the board of county commis-
27 sioners must require the county auditor to make the same, and upon refusal or
28 neglect of such county auditor to make and subscribe to such affidavit forth-
29 with, the chairman of the said board must immediately file in the district
30 court in the county, an information in writing, verified by his oath, charg-
31 ing such county auditor with refusal or neglect to perform the official du-
32 ties pertaining to his office, and thereupon he must be proceeded against as
33 in such cases provided by law.

34 SECTION 4. That Section 63-812, Idaho Code, be, and the same is hereby
35 amended to read as follows:

36 63-812. ACCOUNTING AND COLLECTION OF PROPERTY TAXES. The tax collec-
37 tor shall collect and account for the amount of property taxes due and remit
38 any property tax revenues collected to the county auditor showing distri-
39 bution to the proper accounts or funds, including moneys remitted to school
40 districts and public charter schools pursuant to section 63-811(1), Idaho
41 Code.

42 SECTION 5. Sections 1, 2, and 4 of this act shall be in full force and
43 effect on and after July 1, 2015. Section 3 shall be in full force and effect
44 on and after July 1, 2017.