

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 309

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1 RELATING TO PROPERTY TAXES; AMENDING SECTION 63-713, IDAHO CODE, TO REVISE  
2 DEFINITIONS; AMENDING SECTION 63-716, IDAHO CODE, TO REVISE PROVISIONS  
3 REGARDING THE INTEREST RATE ON PROPERTY TAX DEFERRALS AND TO MAKE A  
4 TECHNICAL CORRECTION; AMENDING SECTION 63-717, IDAHO CODE, TO REVISE  
5 PROVISIONS REGARDING THE TOTAL REIMBURSEMENT AMOUNT PAYABLE TO COUN-  
6 TIES AND TO MAKE A TECHNICAL CORRECTION; AND DECLARING AN EMERGENCY AND  
7 PROVIDING RETROACTIVE APPLICATION.  
8

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

10 SECTION 1. That Section 63-713, Idaho Code, be, and the same is hereby  
11 amended to read as follows:

12 63-713. DEFINITIONS. In addition to the definitions in section  
13 63-701, Idaho Code, the following definitions apply to sections 63-712  
14 through 63-721, Idaho Code.

15 (1) "Qualified claimant" means:

16 (a) An individual who is a claimant who applies for and properly re-  
17 ceives property tax relief under the provisions of sections 63-701  
18 through 63-710, Idaho Code; or

19 (b) An individual who meets the definition of "claimant" under section  
20 63-701, Idaho Code, and is otherwise eligible to file a claim under sec-  
21 tions 63-701 through 63-710, Idaho Code, except by reason of exceed-  
22 ing the income limitations of section 63-705, Idaho Code, may neverthe-  
23 less be a qualified claimant, provided his household income does not ex-  
24 ceed ~~forty~~ fifty thousand dollars (\$450,000) for the tax year ~~2007~~ 2021,  
25 which amount shall be increased by the annual cost-of-living percent-  
26 age modification as determined by the secretary of health and human ser-  
27 vices pursuant to 42 U.S.C. ~~section~~ 415(i) beginning in ~~2009~~ 2022.

28 (2) "Qualified property" means property owned by a qualified claimant,  
29 provided that the property is the "homestead," as defined in section 63-701,  
30 Idaho Code, of the qualified claimant, ~~is owned only by the qualified~~  
31 ~~claimant and his or her spouse and is not subject to a trust or life estate or~~  
32 ~~other ownership held by a person who is not the qualified claimant or his or~~  
33 ~~her spouse.~~

34 (3) "Sufficient equity" means that:

35 (a) The property is not security for a reverse mortgage, a home equity  
36 loan or line of credit, or any similar loan or encumbrance; and

37 (b) The amount of all encumbrances of any nature on the property that  
38 are superior to any liens for deferral, plus the amount of property tax  
39 and interest previously deferred on the same property, does not exceed  
40 eighty percent (80%) of the current year's market value for assessment  
41 purposes.

1 SECTION 2. That Section 63-716, Idaho Code, be, and the same is hereby  
2 amended to read as follows:

3 63-716. DEFERRAL -- INTEREST -- LIEN -- PRIORITY. (1) Upon approval by  
4 the state tax commission, payment of any amount of property tax due for the  
5 year to which the election relates, after application of the property tax re-  
6 lief available under sections 63-701 through 63-710, Idaho Code, and subject  
7 to the limitation in section 63-717(2), Idaho Code, in regard to the quali-  
8 fied property subject to the election, shall be deferred until the deferral  
9 is terminated under section 63-718, Idaho Code.

10 (2) During the period of deferral, interest shall accrue on the amount  
11 deferred at the annual rate of ~~six percent (6%) annually~~ interest provided in  
12 section 63-3045, Idaho Code.

13 (3) The lien imposed by section 63-206, Idaho Code, shall continue to be  
14 a lien on the property in the amount of deferred taxes and interest thereon.  
15 The state tax commission shall file with the county recorder of the county in  
16 which the property is located a notice of lien for deferred property taxes.  
17 Notwithstanding the provisions of section 63-206, Idaho Code, the lien for  
18 deferred taxes and interest shall not be a first and prior lien, but shall  
19 take its priority from the date and time of filing of the notice of lien.

20 SECTION 3. That Section 63-717, Idaho Code, be, and the same is hereby  
21 amended to read as follows:

22 63-717. REIMBURSEMENT BY STATE TAX COMMISSION. (1) By no later than  
23 December 20 of each year, the state tax commission shall pay to the county  
24 tax collector of each county one-half (1/2) of the amount due each county  
25 as reimbursement for property taxes deferred as provided in sections 63-712  
26 through 63-721, Idaho Code, as shown on the property tax reduction roll re-  
27 quired under section 63-707, Idaho Code, as modified by actions of the state  
28 tax commission relating to claims approved or disapproved by the state tax  
29 commission, and shall pay the second one-half (1/2) of such amount by not  
30 later than June 20 of the following year. The payments may be combined with  
31 payments made under section 63-709, Idaho Code.

32 (2) The total amount of reimbursement payable to all counties un-  
33 der this section shall not exceed five ~~hundred thousand~~ million dollars  
34 (\$5,000,000) in regard to property taxes for one (1) calendar year. In the  
35 event that the amount of taxes approved for deferral exceeds five ~~hundred~~  
36 ~~thousand~~ million dollars (\$5,000,000), the amount of taxes deferred for  
37 each qualifying property shall be reduced proportionately and the balance  
38 of property tax not deferred shall be entered on the property tax notice  
39 required by section 63-902, Idaho Code, and shall be payable as required by  
40 chapter 9, title 63, Idaho Code.

41 SECTION 4. An emergency existing therefor, which emergency is hereby  
42 declared to exist, this act shall be in full force and effect on and after its  
43 passage and approval, and retroactively to January 1, 2021.