

A wide banner image showing a scenic view of Idaho mountains under a blue sky with white clouds. The foreground features green pine trees and a brownish-yellow hillside.

Idaho State Tax Commission

2026 Budget and Levy Training General Session

Benefitting the people of Idaho with courteous customer service and education by providing fair, efficient, and effective revenue and tax administration.



State Tax Commission

Great people. Helping you. Serving Idaho.

Today's Instructors

- Alan Dornfest: Property Tax Policy Bureau Chief
 - Phone – (208) 334-7742
 - Email – alan.dornfest@tax.idaho.gov
- Ben Seloske: Principal Research Analyst
 - Phone – (208) 334-7541
 - Email – ben.seloske@tax.idaho.gov
- Tax Commission Web Page: www.tax.idaho.gov

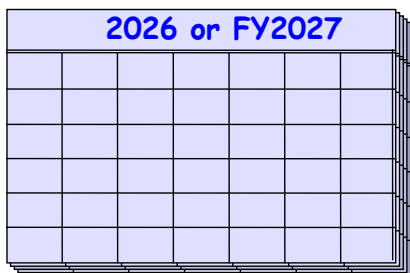
Agenda

- Property Tax Overview
 - Roles / Responsibilities
- Property Tax Principles
- 1st Break (10-15 mins)
- Legislative Changes
- Max Property Tax Budget Calculations
- Forgone Amounts
- 2nd Break (10-15 mins)
- Required Forms
- 2026 L-2 Form

Property Tax Overview

What Year Are We Talking About?

- Throughout this presentation, when we refer to a calendar year, we are referring to the year in which your property tax budget is being certified.



Now which year am I supposed to use?

State Tax Commission Roles

1. Review and approve levy rates and property tax portion of budget to ensure limits not exceeded (10-26-2026)
2. Determine and apportion operating property values*
 - Final values in September (9-8-2026)
3. Provide technical support & assistance; develops administrative rules
4. Map boundaries of each taxing district and urban renewal revenue allocation areas
5. Distribute sales tax revenue sharing and property tax replacement dollars
6. Calculate gross earnings tax and notify counties of amounts for solar, wind, geothermal, electrical and natural gas co-ops
 - NEW: estimate, collect, & distribute kWh / therms tax
7. Maintain registry of urban renewal plans
8. Certify Homeowner Tax Relief (HTR) amounts by the 3rd Monday of September

*Flood control, watershed, herd, levee, infrastructure, and most fire districts do not receive operating property values

STC's Limitations

- Focus is on revenue, not expenditures
 - State Tax Commission (STC) does **NOT** oversee or govern expenditures
 - Expenditure questions go to:
 - Associations of like districts
 - County (Idaho Association of Counties)
 - City (Association of Idaho Cities)
 - Highway Districts (Idaho Association of Highway Districts)
 - Fire Districts
 - Independent auditors
 - Legal advisors
 - Carry over authority varies
- Assume compliance with budget hearing and other publication requirements (until challenged)

County's Roles

- **County Assessor:**
 1. Provides locally assessed property value information to county clerk
 2. Develops new construction roll
- **County Clerk:**
 1. Provides value & tax information to taxing districts
 2. Provides information to county commissioners
 3. Provides information to STC
 4. Distributes tax receipts and other revenue to districts
- **County Treasurer:**
 1. Prepares tax notices & collects tax
 2. Notifies county clerk of amounts to be distributed
- **County Commissioners:**
 1. Set levy rate
 2. Approve property tax portion of budget
 3. Submit levy & approved budget to STC (9-21-2026 or 9-28-2026 with extension)



Taxing District Budget & Levy Responsibilities

1. Notify each county clerk of budget hearing date and location
 - Written notification required (I.C. §63-802A – due April 30 each year)
2. Comply with central registry requirements (State Controller's Office - SCO)
3. Provide required advertisements for budget hearing (if required), dates, location, times and publication of proposed budget
4. If forgone amount is to be used in budget (recovered), must have a public hearing and define, by resolution, how much and for what purpose (with L-2)
5. To accrue/reserve additional forgone, need resolution specifying amount by end of the year
6. Certify budget to county commissioners
 - Sign your L-2 form before submitting it to the county
 - Due to county by 9-10-2026
 - Request a 7-working day extension from the county – new due date 9-21-2026



Property Tax Budget Hearing Notification

I.C. §63-802A. NOTICE OF BUDGET HEARING.

1. Not later than April 30 of each year, each taxing district shall set and notify* the county clerk of the date and location set for the budget hearing of the district. If no budget hearing is required by law, the county clerk shall be so notified.
2. ...a taxing district that fails to comply with subsection (1) of this section shall be prohibited from including in its budget any increase otherwise permitted by either subsection (1)(a) or (1)(e) of section 63-802, Idaho Code.
3. If a taxing district wishes to change the time and location of such budget hearing as stated on the assessment notice, it shall publish such change of time and location in advance of such hearing as provided by law.

(Prohibits property tax budget increases from 3%, new construction, annexation, recaptured forgone, and generating additional forgone)

***Written notification required (Rule 805.01).**

Tax Commission's web address for rules: <http://adminrules.idaho.gov/rules/current/35/350103.pdf>

Taxing districts and code sites that require a public budget hearing and/or publication of budgets (available on [STC website](#))

Public Budget Hearing Requirements			
District	Code	Required?	Budget Publish Required?
County	31-1605	Y	31-1604
City	50-1002	Y	50-1002
School	33-801	Y	33-801
Ambulance	N/A	?	N/A
Auditorium	N/A	N	N/A
Cemetery	27-125	Only if proposed budget in excess of \$3,500	27-126
Pest Control	N/A	?	N/A
Fire	31-1422	Y	31-1422
Flood Control	42-3113	May be addressed at required monthly meetings.	N/A
Highway	40-1325	Y	40-1326
Hospital	39-1333	Public hearing required if M&O levy exceeds 0.04%.	No
Community Infrastructure	50-3114	Y	50-3114
Community College	N/A	N	N/A
Library	33-2725	Y	33-2725
Abatement	N/A	?	N/A
Port	70-1703	Y	70-1704
Recreation	31-4329	Y	31-4330
Sewer & Water	42-3228	Y	42-3229

Publication of Budget & Hearing Notification

- Include date, time, & location of budget hearing
- Shows both expenditures AND revenues
 - Specifically shows revenues from property taxes
- Levied amount on L-2 cannot exceed the published revenue from property taxes



Good Examples of Budget Hearing Publications

**NOTICE OF PUBLIC HEARING
BUDGET FOR FISCAL YEAR 2022-2023
RAFT RIVER HIGHWAY DISTRICT
CASSIA COUNTY, IDAHO**

Notice is hereby given that a budget hearing will be held at the regular meeting of the Raft River Highway District on the 10th day of August, 2022, at 4:30 p.m., in Malta, Idaho, at the District Office, 320 North Main Street. A copy of the Raft River Highway District Budget for the 2022-2023 year may be inspected at the above-named office prior to the hearing.

ESTIMATED EXPENDITURES:

Administration	50,500.00
Capital Improvements	25,000.00
Commissioners Salaries	7,800.00
Engineering/Professional Fees	35,000.00
Insurance	27,241.00
Road Maintenance & Construction	965,000.00
City Tax Allocations	5,200.00
Equipment Purchases	260,365.22
Supplies & Repairs	88,000.00
Gas, Oil & Diesel	100,000.00
TOTAL ESTIMATED EXPENDITURES	\$1,564,106.22

ESTIMATED REVENUE:

Property Tax Levies	339,288.72
Property Tax Replacement	25,991.00
Federal Forest	39,000.00
Sales Tax	106,678.00
Gross Earnings	60,000.00
Miscellaneous	3,000.00
Malta City Agreement	2,000.00
Highway Users Revenue	809,148.50
Equipment Rollover	179,000.00
TOTAL ESTIMATED REVENUE	\$1,564,106.22

Citizens are invited to attend the budget hearing concerning the entire budget. A copy of the proposed budget in detail is available at the Raft River Highway District office at 320 North Main Street, in the city of Malta, Idaho for inspection during the following hours: 9:00 a.m. to 1:00 p.m. Monday through Thursday.

At the hearing, the Board of Commissioners of the Raft River Highway District will explain the budget and hear any objections thereto.

Dated this 25th day of July 2022



Good Examples of Budget Hearing Publications

CITY OF BONNERS FERRY
FY 2024-2025 BUDGET HEARING

A public hearing, pursuant to Idaho code 50-1002, will be held for consideration of the proposed budget for the fiscal year starting October 1, 2024, and ending September 30, 2025. **The hearing will be held at City Hall, 7232 Main Street, Bonners Ferry Idaho at 6:00 pm on September 3, 2024.** All interested persons are invited to appear and show cause, if any, why such a budget should or should not be adopted. Copies of the proposed city budget in detail are available at City Hall during regular office hours (8:00 am - 5:00 pm M-F). City hall is accessible to persons with disabilities. Anyone desiring accommodation for disabilities related to the budget documents or the hearing, please contact City Hall, 208-267-3105 at least 48 hours prior to the public hearing. The following budget has been tentatively approved by the Council.

PROPOSED EXPENDITURES			
	FY 2023	FY 2024	FY 2025
	Actuals	Budgeted	Proposed
General Fund:			
General Government	\$ 212,286	\$ 365,755	\$ 376,466
Police Department and Police Grants	\$ 653,843	\$ 911,294	\$ 973,881
PROPOSED REVENUES			
	FY 2023	FY 2024	FY 2025
	Actuals	Budget	Proposed
Property Tax			
GF Property Tax Levy	\$ 692,240	\$ 723,323	\$ 736,000
GF Property Tax Replacement	\$ 19,802	\$ 19,802	\$ 19,355
Judgement Refund I.C. 63-1305			\$ 1,728
Other Revenue Sources			
1% Non Property Tax Fund	\$ 127,222	\$ 820,000	\$ 851,100
State and Local Share	\$ 462,478	\$ 578,735	\$ 625,000



Bad Examples of Budget Hearing Publications

██████████ RURAL FIRE DISTRICT ██████████ PROPOSED 2023 BUDGET
The following is the proposed 2023 budget for the ██████████ Rural Fire District ██████████:

Anticipated Expenditures:

Fire Calls	\$92,100
Wages for Station Duties	\$72,600
Payroll Taxes	\$13,000
Fuel	\$20,000
Repairs	\$24,000
Supplies	\$15,000
Utilities	\$18,000
Insurance	\$24,000
Fire School	\$300
SIRCOMM	\$4,000
Medical	\$3,000
Commissioner Expenses	\$3,500
Equipment & Facilities	\$30,500
New Equipment	\$32,000
New Fire Apparatus	\$180,000
	\$532,000

A public hearing will be held Tuesday, August 9, 2022 at 6:00 p.m. at the ██████████ Rural Fire Station, ██████████, Idaho.
/s/ ██████████, Secretary
PUB; 7/28/22 & 8/4/22



Bad Examples of Budget Hearing Publications

BUDGET FOR FISCAL YEAR 2022-2023	
2022-2023 Budget	
████████ Cemetery District	
Proposed Expenditures	
Wages/Personnel Benefits	\$ 2,750.00
Utilities	\$ 1,300.00
Repairs-Maint-Equip/Grounds	\$ 15,000.00
Prof Services-Legal	\$ 300.00
Fuel	\$ 2,000.00
Insurance	\$ 550.00
Office Supplies/Software	\$ 250.00
Other Business Expenses	\$ 1,000.00
Total Budget	\$ 23,150.00

Local Governing Entities Central Registry

SCO contact: (208) 334-3100 – registry@sco.idaho.gov

- Requires local entities, including all taxing and special districts **except school districts**, to register with the state registry. This includes urban renewal districts and entities that charge fees.
- Account information to be updated annually by December 1st (prior year information)
 - If unable to meet this deadline, contact SCO
 - SCO notifies counties and STC of noncompliant entities
- Penalties for noncompliance (I.C. §67-1076):
 - Frozen property tax
 - Withheld sales tax
 - Counties may charge fees
- Now over \$1 million waiting to be released to special purpose taxing districts out of compliance with SCO



Property Tax Principles



Basic Property Tax

- Total budget minus non-property tax revenue equals property tax (P-tax) budget
 - Not affected by tax relief (except SDFF)
- Levy rate computed by dividing the P-tax budget by the net taxable value of district
 - 9 decimal places

$$\frac{\$100,000 \text{ P-Tax}}{\$ 100,000,000 \text{ Net Taxable Value}} = 0.001$$



Effects of Market Value Changes on Levies

Assuming the budget remains constant: the higher the taxable market value, the lower the levy rate becomes

P-Tax Budget	Taxable Value	Levy Rate
55,000	137,500,000	0.0004
55,000	140,000,000	0.000392857
55,000	175,000,000	0.000314286



Budget vs. Levy Limit

- Idaho law provides limits for both P-tax budgets and levy rates
 - The stricter of the two limitations applies
- Levy limit cannot be exceeded without express statutory authority
- Scenario:
 - A taxing district's statutory M&O levy limit is 0.0004. Its maximum, non-exempt property tax potential budget is \$55,000 and its total net taxable market value is \$125 million.

Budget NOT Allowed
Because levy limit exceeded

$$\frac{\$55,000}{\$125,000,000} = 0.00044$$

Budget Allowed
Because levy limit not exceeded

$$\frac{\$50,000}{\$125,000,000} = 0.0004$$

Rollback = \$5,000



Adding New Funds

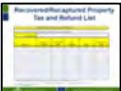
- County and City have multiple funds to choose from:
 - Assume that a county has a maximum property tax budget of \$200,000 and it wants to add a museum fund
 - The county can add funds as they need (except ambulance)
 - However, cannot exceed their maximum P-tax budget of \$200,000 (need to reallocate how funds are distributed)
 - The statutory levy limit of .0003 for museums doesn't allow a county to exceed its maximum allowable budget

Fund	Budget	Fund	Budget
M&O	100,000	M&O	100,000
Tort	50,000	Tort	50,000
Parks	50,000	Parks	50,000
		Museums	?????

Property Tax Budget Increases

- Highest non-exempt P-tax budget of the prior 3 years increased by 3%
 - Including P-tax replacement money except solar tax revenue
 - New construction increases
 - Annexation increases
- These budget increases cannot exceed 8%*
- Expiring urban renewal increases (not capped)
 - **Minus** P-tax replacement monies
 - **Plus** forgone recovered into current year's budget
 - if any, resolution required

Non-School Funds Exempt from 3% Annual Increase Cap (I.C. §63-802)

Fund	Description
Temporary Override	All taxing districts have authority. 2-year maximum duration; requires simple majority to pass. <i>Total of fund and override levy rate can't exceed the fund's levy limit.</i>
Permanent Override	All taxing districts have authority. Most need a 2/3 majority to pass. Qualifying cities have additional version that requires only 60% voter approval to pass. <i>Total of fund and override levy rate can't exceed the fund's levy limit.</i>
Bond	Refer to authorizing statute for specific requirement, but all require 2/3 majority voter approval.
Plant Facilities	Available to Library and Community Colleges as well as schools. See I.C. §33-804 for details. 
★ Judgment Funds	All taxing districts – based on judgments under I.C. §63-1305

2026 Voter Approved Fund Tracker Attach to L-2 Form if Applicable				
District Name:				
Fund Name	Date of Election (If current year, attach copy of Ballot)	1st Calendar Year Levied	Term of Initiative	Annual Amount Authorized by Voters
Override Funds Available to All Districts				
2 Yr Override I.C. §63-802				
Permanent Override I.C. §63-802				
Plant Facilities Funds for Library, and Community College districts				
Plant Facilities (Maximum of 10 yrs)				
if voters approved an increase in the annual amount but did not change the term enter the amount of increase here:				

District Bond Initiative (Voter Approved Bonds)							
Date of Election (If current year attach copy of Ballot)	1st Calendar Year Levied	Term of Initiative	Amount Authorized by Voters	Prior Year P-Tax \$	Current Year P-Tax \$	% Change (+/- 20% Explanation Required)	"YES" = Explanation Required
Current Year's Total Bond Fund (Reported on L-2 Col. 6):				\$	-		

Explanation (If Required):

Did this district levy for a bond in 2025 (prior year) that has now expired?

Yes
No

If applicable, please fill out this page and return to your County Clerk with the L-2 form.

Voter-Approved Fund Tracker

Each voter-approved fund should be included on this page of the L-2 Excel spreadsheet

Property Tax Replacements

- Money that is added in for determining the highest of the last 3 years
 - 3% growth includes replacement monies (not solar)
- Agricultural Equipment Replacement (quarterly)
 - Unchanged amount since 2006
- Personal Property Reimbursement (semi-annual)
 - Constant amounts from 2013 – 2021
 - New personal property replacements paid in 2022 due to increased maximum exemption
 - Re-calculated after 2024 to adjust for city/hwy re-distribution
- Recovered/Recaptured amounts (7/1/25 – 6/30/26)
 - Recovered Homeowner's Exemptions
 - Recaptured QIE
- NEW: kWh / therms tax (first payment - January 2027)

Solar Farm Tax

- Reduces property tax levy each year
- NOT added in for determining the highest of last 3 years
 - 3% growth does NOT include solar farm tax
- Solar farm tax revenue tied to the highest property tax budget of the last 3 years is added after all growth calculations
- Revenue received in the current year (7/1/25 – 6/30/26) is subtracted to determine the maximum budget authority
- If applicable, will be included on the Recovered/Recaptured Property Tax and Refund List

QUIZ?

Budget & Levy Workshops -
General Session Quiz #1



<https://forms.office.com/g/cXH2zEMz3c>



State Tax Commission

28

Great people. Helping you. Serving Idaho.



Legislative Changes



State Tax Commission

31

Great people. Helping you. Serving Idaho.

Recent History of Property Tax Policy

New construction & annexation increases calculated using prior year's non-exempt levy rate (uncapped)

Pre-2021



2021

HB 292

New tax relief mechanisms: School District Facility Fund (SDFF), Homeowner Tax Relief (HTR)

2023



HB 389

New construction & annexation increases calculated with a preliminary levy rate from current year values (except operating property); new construction & annexation values reduced to 90%; annual budget increases capped at 8% (except terminating urban renewal & forgone increases)



State Tax Commission

32

Great people. Helping you. Serving Idaho.

Previous Legislative Changes

HB 208 (effective July 1, 2025)

- Fire district consolidations no longer treated as annexations
- Fire district consolidations not subject to 8% budget increase limit
- Budgets added together and then annual increases allowed (3%, etc.)
 - NOTE: Map changes occurring after Jan 1st are recognized for levy purposes the following year



State Tax Commission

33

Great people. Helping you. Serving Idaho.

Previous Legislative Changes

HB 436 (effective Jan 1, 2025)

- Fire & Ambulance districts can opt-out of existing Urban Renewal Revenue Allocation Areas to receive new construction immediately (80% of increment)
 - Restrictions on opt-outs if URA has debt / contracts
- Fire & Ambulance districts excluded from new Urban Renewal Revenue Allocation Areas
 - “New RAA” = created or modified after July 1, 2025
 - Will NOT generate revenue for new RAAs
 - These districts would collect tax as if the new RAA did not exist
 - Could opt-in to UR via resolution

Previous Legislative Changes

HB 436 (Cont'd)

- RAAs existing before 7/1/2025:
 - Critical date = 4th Monday of July (resolution received by county & STC)
 - Opt-out resolutions received prior to this date get the additional budget capacity in the same year
 - Opt-out resolutions received after this date get the additional budget capacity in the next year

2026 Legislation

HB 551 – clean-up for HB 436 (2025)

- 2025: Fire/ambulance districts can opt-out of generating revenue for existing urban renewal (UR) and start getting new construction budget increases
 - BUT: New fire/ambulance districts or new revenue allocation areas (RAAs) could not get new construction even though they were not generating money for UR
- NOW: when fire/ambulance districts are not generating revenue for UR (via opt-out or new creation), they are allowed new construction in UR RAAs

Previous Legislative Changes

HB 329 - Creating kWh / therms tax

- Rate-regulated electric & gas companies no longer pay property tax (beginning 2026)
- Pay kilowatt-hour (kWh) & thermal energy (therms) taxes instead
- STC to calculate proportions of these taxes to pay to districts based on 2025 property taxes
 - Including urban renewal areas
 - Proportions only updated for dissolutions or expiring bonds
 - Subtracted annually from property tax
 - Taxing districts or RAAs created after 1/1/2025 will NOT receive these tax distributions

2026 Legislation

HB 722 – kWh / therms tax changes

- Effective Jan 1, 2026
- All taxing districts required to subtract estimated annual revenues from kWh / therms taxes on L-2
 - Like most replacements, can be added back in for future budget calculations (e.g., 3%, new construction, etc.)
- STC to distribute these estimates to county clerks each July (1st Monday)
- County clerks to distribute these estimates to taxing districts by 1st Monday of August
 - Also notify urban renewal agencies



HB722 – On the L-2

DO NOT SKIP THIS BOX



Rate-Regulated Electric & Gas Utility Taxes (kWh/therms tax)	
Enter the estimated revenues to be received by this district for tax year 2026 for kWh/therms tax from rate-regulated electric & gas utility companies:	\$ 123,456

Recovery of Forgone Amounts:	
District's Existing Forgone Balance:	\$ 5,408,889
Will the district use its forgone balance to increase this year's budget?	No



2026 Dollar Certification of Budget Request to Board of County Commissioners L-2
 (the "L-2 Worksheet" and applicable "Voter Approved Fund Tracker" and budget publication must be attached)

District Name: Example					
Fund Name	Total Approved Budget*	Cash Forward Balance	Other revenue NOT shown in Column 5	Property Tax Replacements and Other Subtractions (Line 30 + Line 33 of 'L-2 Worksheet')	Balance to be levied Col. 2 minus (Cols. 3+4+5)
1	2	3	4	5	6
M&O	\$37,585,000			\$585,000	\$37,000,000
NON-LEVIED FUNDS (must net zero)					
Column Subtotal:	\$37,585,000			\$585,000	\$37,000,000
Maximum Allowable Non-Exempt Property Tax Amount to be Levied:					\$37,000,000
Exempt Funds (Bonds, Overrides, & Judgment Funds)					
63-1305 Judgments	\$12,345				\$12,345
Column Subtotal:	\$12,345				\$12,345
Column Total:	\$37,597,345			\$585,000	\$37,012,345
Expected Totals (for balancing purposes, values from 'L-2 Worksheet')				\$585,000	
I, the undersigned, attest that a public hearing was held and a resolution was adopted to: RESERVE the current year's forgone amount, OR RECOVER forgone amounts (line 20 + line 21 of the 'L-2 Worksheet')				Max Reserved Forgone:	
				Reserved Forgone:	
				Recovered Forgone:	

2026 Legislation

HB 959 - Fire & Ambulance districts ONLY

- 8% cap is now 15% cap
- Instead of preliminary levy rate, prior year's levy is used for new construction / annexation budget increases
 - Not including exempt funds like bonds, overrides, judgments
- Forgone increases can no longer be reserved
 - Previously reserved forgone amounts may still be recovered into the budget under the 1% & 3% restrictions
- Creates initiative & election process to reduce property tax budgets (earliest election - Nov 2027)

2026 Legislation

HB 765 – Fire & Library districts ONLY

- Fire districts annexing property from another fire district can exceed 15% budget increase for the annexation
 - Other annexations still subject to 15% cap on annual increases
- Fire districts deannexing property to another fire district will have a downward adjustment to new construction value (budget capacity reduction)
- Everything is the same for library districts trading territory except it's an 8% cap that can be exceeded



HB 765 – Cont'd

Enter 2026 New Construction value: (reported by County Assessor at 90%)	Boundary	\$ 1,234,567
Does this district have annexation value reported by the assessor for 2026?		Yes
Enter the value of annexations that did NOT take territory away from existing fire districts: (reported by County Assessor at 100%)	Boundary	\$ 89,100,000
Enter the value of annexations into other existing fire districts: (reported by County Assessor at 100%; also known as: "uncapped annexation value")	Boundary	





Calculating the Maximum Non-Exempt Property Tax Budget

Calculating Maximum Non-Exempt Property Tax Budget

- Highest non-exempt P-tax budget of the prior 3 years (including applicable P-tax replacement money) increased by 3%
- New construction roll (90% of ordinary NC value) multiplied by the preliminary levy rate* to generate budget increase from NC
- 90% of the annexation value multiplied by the annexation preliminary levy rate* to generate budget increase from annexations
- 80% of increment from expired Urban Renewal multiplied by the NC preliminary levy rate* to generate budget increase from Urban Renewal
- Add any solar farm tax received from the highest budget of the last 3 years (doesn't get 3% increase)
- **Minus** P-tax replacement revenue received, revenue received from Solar Farm tax (from July 1, 2025 through June 30, 2026), & estimated kWh / therms tax revenue
- **Plus** forgone recovered into current year's budget (if any; resolution required)
- Results in maximum non-exempt P-tax that can be levied

*Fire & Ambulance districts now use the prior year's non-exempt levy rate

Calculating Maximum Non-Exempt Property Tax Budget

Prior Budget + 3%	Highest non-exempt property tax budget of the last 3 years including replacements + 3%
+ New Construction	90% of new construction value multiplied by preliminary levy rate*
+ Annexations	90% of annexation value multiplied by preliminary levy rate*
+ Expiring Urban Renewal	80% of increment value from expiring UR multiplied by preliminary levy rate
+ Solar Farm Tax	Not part of growth calculations, so amount from prior year is replaced after the calculations above
- Replacements	Ag equipment & personal property replacements & <u>estimated kWh / therms tax subtracted</u>
- Other Subtractions	Solar Farm Tax received in current year (July 1 – June 30) subtracted & other subtractions
+ Forgone Amounts	Forgone increases from prior years may be recovered into the budget (resolution required)
= Max P-Tax	Maximum non-exempt property tax amount that can be levied

*Fire & ambulance districts now use the prior year's non-exempt levy rate



Example: Computing 3% Increase

Year	2023	2024	2025
Total levied non-exempt p-tax budget	124,389	130,678	136,218
Agricultural Equipment Replacement Money	28	28	28
Personal Property Replacement Money	1,568	1,568	1,568
*Recovered Homeowner's Exemption	0	110	0
Total Property Tax Replacement monies	1,346	1,456	1,596
Total levied non-exempt property tax budget plus property tax replacements	125,985	132,384	137,814

$$\begin{array}{r}
 \$ 137,814 \\
 \times 0.03 \\
 \hline
 \$ 4,134
 \end{array}$$

$$\begin{array}{r}
 \$ 137,814 \\
 + 4,134 \\
 \hline
 \$ 141,948 \text{ (total plus 3\% increase)}
 \end{array}$$

$$\begin{array}{r}
 \$137,814 \\
 \times 1.03 \\
 \hline
 \$141,948
 \end{array}$$

* = Total received by district between July 1st thru June 30th each year.



Preliminary Levy Rates

- Provide budget increases for taxing districts EXCEPT fire & ambulance districts (NEW!)
 - Designed to estimate the district's levy rate and provide increases for new construction & annexation at that rate
- Multiplied by 90% of new construction & annexation values
 - Increases from new construction & annexations subject to 8% or 15% cap
- Multiplied by 80% of terminating urban renewal increment values
 - Increases from terminating urban renewal allowed to exceed 8% or 15% cap

Preliminary Levy Rates

For new construction:

- Highest of the last 3 years' non-exempt budgets
 - Including replacements except solar farm tax
- Add 3% (or less)
- Divide that sum by 2026 locally assessed net taxable value plus prior year's operating property value

Base growth → $1,000,000 \times 3\% = \underline{30,000}$

Then,

2026 net taxable + 2025 operating property → $400,000,000 + 470,000$

Divide those figures → $1,030,000 / 400,470,000$

New construction preliminary levy rate → .002571978

Preliminary Levy Rates (Cont'd)

For new construction:

- Multiply the preliminary levy rate by the new construction value to determine budget increase allowed
- New construction value is required to be reduced to 90% value by the assessor
- Example:
 - NC preliminary levy rate = 0.002571978
 - NC roll value = \$19,440,000
 - NC budget increase = $0.002571978 \times \$19,440,000 = \$49,999$
 - If budget was \$1,000,000, then increase <5% and no cap issues

Preliminary Levy Rates (Cont'd)

New construction example:

- Highest of the last 3 years including replacements = \$900,000
 - Plus 3% growth = \$927,000
- 2026 locally assessed net taxable value = \$200,000,000
- 2025 operating property value = \$25,000,000
- 2026 new construction value = \$8,000,000
 - Already reduced to 90%
 - Do NOT include expiring urban renewal with new construction as it is not subject to the same limit
- Preliminary levy rate = 0.004120000
- Preliminary levy rate X new construction = \$32,960
- Cap on new construction ($8\% - 3\% = 5\% \times 900,000$) = \$45,000

Preliminary Levy Rates (Cont'd)

- For annexations:
 - Highest of the last 3 years (including replacements) + 3%
 - Locally assessed annexed value divided by locally assessed net taxable value = locally assessed portion of value related to annexation
 - Multiply that by prior year's operating property
 - Estimates operating property value for annexed area
 - Divide the highest of the last 3 years and 3% growth by:
 - 2026 locally assessed net taxable value, plus
 - prior year's operating property value, plus
 - annexed operating property value

Preliminary Levy Rates (Cont'd)

- For annexations:
 - Multiply the annexation preliminary levy rate by 90% of the value of the annexed area
 - This determines budget growth from the annexation
 - Subject to 8% cap or 15% cap on budget growth (combined with 3% & new construction allowable increases)
 - High new construction growth may cause annexation budget growth to be capped

Preliminary Levy Rates (Cont'd)

Annexation example:

- Highest of the last 3 years including replacements = \$900,000
 - plus 3% growth = \$927,000
- 2025 operating property value = \$25,000,000
- 2026 locally assessed net taxable value = \$200,000,000
- 2026 new construction value = \$8,000,000
- 2026 locally assessed annexation value = \$3,000,000
- NC Preliminary levy rate = 0.004120000
- NC Preliminary levy rate X new construction = \$32,960
- Annexed operating property value = $\left(\frac{3,000,000}{200,000,000} \times 25,000,000\right) = \$375,000$
- Annex. Preliminary levy rate = $\frac{927,000}{375,000+200,000,000+25,000,000} = 0.004113145$
- Annex. Preliminary levy rate X 90% annexation
= $0.004113145 \times 0.9 \times 3,000,000 = \$11,105$
- Sum of NC & annexation budget growth = \$44,065
- Cap on NC & annexations (8% - 3% = 5% X \$900,000) = \$45,000



Preliminary Levy Rates

2026 L-2 Worksheet			
District Name: Example		District Type: City	
Allowable Base Budget Calculation:			
Highest of the Last 3 years Non-Exempt P-Tax Budget + P-Tax Replacements (from the 'Maximum Budget & Forgone Amounts Worksheet' and highlighted in the table above)	(1)	\$	1,277,507
Selected Base Budget Growth Entered on the Dashboard = 3% (cannot exceed 3% of line 1)	(2)	\$	38,325
New Construction, Annexation, & Expiring Urban Renewal Allowable Budget Increases Calculation:			
2025 Value of District's Operating Property from Each Applicable County:		Value	
Idaho	(3a)	\$	2,266,657
	(3b)		
	(3c)		
	(3d)		
Total 2025 Operating Property Value (total of lines 3a thru 3d):	(3)	\$	2,266,657
2026 District's Net Taxable Value & Estimated Sub-roll from Each Applicable County:		Value	
Idaho	(4a)	\$	987,654,321
	(4b)		
	(4c)		
	(4d)		
Total 2026 Net Taxable Value & Estimated Sub-roll (total of lines 4a thru 4d):	(4)	\$	987,654,321
Preliminary Levy Rate for New Construction:			
2026 New Construction Preliminary Levy Rate ((line 1 + line 2) / (line 3 + line 4)) = (\$1,315,832 / \$989,920,978)	(5)		0.001329229
2026 Value of District's New Construction Roll from Each Applicable County:		Value	
Idaho	(6a)	\$	1,234,567
	(6b)	\$	-
	(6c)	\$	-
	(6d)	\$	-
Total New Construction Roll (NOT including expiring Urban Renewal) (total of lines 6a thru 6d)	(6)	\$	1,234,567
Allowable Budget Increase for New Construction Roll (multiply line 5 by line 6)	(7)	\$	1,641



Fire & Ambulance Districts

2026 L-2 Worksheet			
District Name: Example		District Type: Fire	
Allowable Base Budget Calculation:			
Highest of the Last 3 years Non-Exempt P-Tax Budget + P-Tax Replacements (from the 'Maximum Budget & Forgone Amounts Worksheet' and highlighted in the table above)	(1)	\$	48,459
Selected Base Budget Growth Entered on the Dashboard = 3% (cannot exceed 3% of line 1)	(2)	\$	1,454
New Construction, Annexation, & Expiring Urban Renewal Allowable Budget Increases Calculation:			
	(3a)		
	(3b)		
	(3c)		
	(3d)		
	(3)		
	(4a)		
	(4b)		
	(4c)		
	(4d)		
	(4)		
Levy Rate for New Construction:			
Prior Year's Non-Exempt Levy Rate for New Construction Budget Increases	(5)		0.000300001
2026 Value of District's New Construction Roll from Each Applicable County:			
		Value	
Idaho	(6a)	\$	1,234,567
	(6b)	\$	-
	(6c)	\$	-
	(6d)	\$	-
Total New Construction Roll (NOT including expiring Urban Renewal) (total of lines 6a thru 6d)	(6)	\$	1,234,567
Allowable Budget Increase for New Construction Roll (multiply line 5 by line 6)	(7)	\$	370



Forgone Amounts

Forgone Amounts

- Amount of a *previously allowable increase* in non-exempt property tax portion of budget that was NOT taken*
- Example:
 - After certifying in 2025, the highest non-exempt property tax budget of the last 3 years was \$100,000
 - Including replacements but not solar farm tax
 - No new construction, annexation, or replacements
 - $\$100,000 \times 3\% = \$3,000 = \$103,000$ max for 2026
 - District certifies \$102,000 in 2026
 - Forgone amount available to reserve = \$1,000

*Does not take into consideration levy rate limits or ineligible fire/ambulance



Forgone Amounts (Cont'd)

- Example #2 (reduced budget):
 - After certifying in 2025, the highest non-exempt property tax budget of last 3 years was \$100,000
 - No new construction, annexation, or replacements
 - $\$100,000 \times 3\% = \$3,000 = \$103,000$ max for 2026
 - District certifies **\$90,000** in 2026
 - Forgone amount available to reserve = \$3,000
 - NOT \$13,000



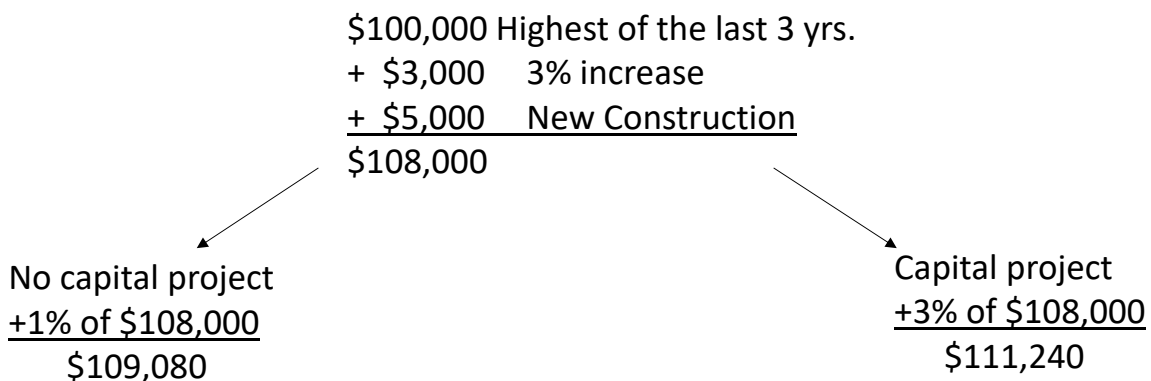
Forgone Amounts (Cont'd)

- Never expires
- Requires a resolution to reserve additional and/or recover
 - Resolution to recover due with L-2 form (must list specific purpose)
 - Resolution to reserve due by year-end
 - Fire & ambulance districts can no longer reserve forgone increases
- Can be recovered with limitations:
 - Extra 1% increase for general purposes
 - Adds to future budget capacity
 - 3% temporary increase for “capital projects”
 - Tracked separately and not added into base property tax budget
 - Does NOT add to ongoing budget capacity
- Forgone recovered into the budget is not subject to the 8% cap or 15% cap



Forgone Amounts (Cont'd)

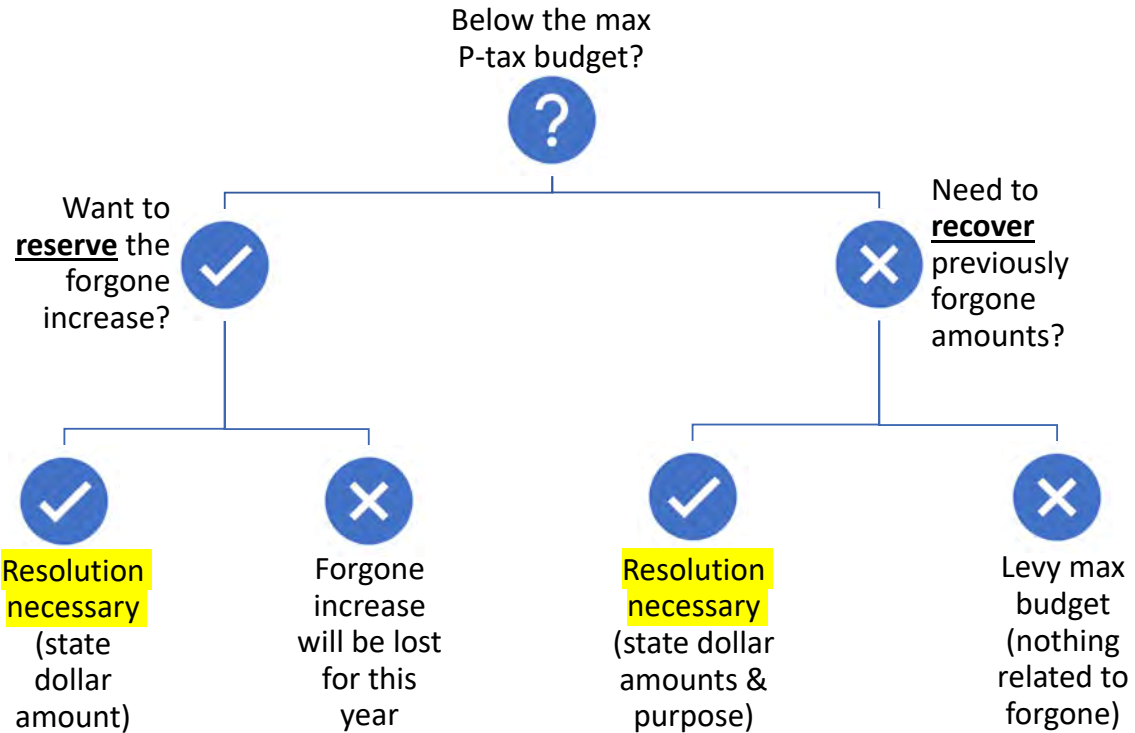
- Example #3:
 - Expanding budget capacity by recovering forgone amounts
 - \$5,000 forgone balance



For M&O and capital projects = up to 4%
 $\$108,000 \times 1.04 = \$112,320$



Forgone Amounts (Cont'd)



Forgone Amounts (Cont'd)

- A resolution is required to reserve forgone for future years

LIBRARY DISTRICT #1

RESOLUTION 1-2020

Statute requires the resolution specify the dollar amount of property taxes being reserved.

WHEREAS, Library District #1 intends to reserve its current year's forgone amount in the amount of \$500 and,

WHEREAS, the Library District #1 has met the notice and hearing requirements in Section 63-802, Idaho Code on reserve the current year's forgone amount,

NOW THEREFORE BE IT RESOLVED, by the majority vote taken by the Board of Library District #1 Trustees on August 5, 2020, that the above stated amount is to be included in its total forgone amount for use at a future date.

DATED this 5th day of August 2020

Required to hold annual budget hearing

Public hearing requirement to reserve forgone may be in conjunction with annual budget hearing.

Not required to hold annual budget hearing.

Must hold a public hearing to adopt resolution to reserve current year's forgone amount.

QUIZ?

Budget & Levy Workshops -
General Session Quiz #2



<https://forms.office.com/g/TLLqG6SaDv>



Required Forms

When is all this information available?

- Information available from the county clerk:
 - I.C. §63-802 property tax information is currently available and is on the STC's website. Look for the "Maximum Budget & Forgone Amounts Worksheet"
 - <https://tax.idaho.gov/governance/reports-and-statistics/>
 - New construction roll value – 4th Monday in July
 - Taxable value & estimated kWh / therms tax revenue – 1st Monday in August
 - Locally assessed current year, estimated sub roll, & prior year operating property
 - Annexation values –
 - Real & personal (locally assessed) – 1st Monday in August
 - Operating property (assessed by STC) – 1st Monday in Sept.



List of Property Tax Related Forms

- 2026 Dollar Certification of Budget Request to Board of County Commissioners L-2 ("L-2" for short)
- L-2 Worksheet (must be attached to the L-2 form)
- Voter-Approved Fund Tracker (if applicable)
- L-2 forms at this web address:
 - <https://tax.idaho.gov/taxes/property/property-tax-forms-guides-by-category/?property-tax-category=budget-and-levy>
- Maximum Budget and Forgone Amount Worksheet
 - [PowerBI report](#)
- Recovered/Recaptured Property Tax & Refund List



State Tax Commission's Website:

tax.idaho.gov

IDAHO STATE TAX COMMISSION

Taxes ▾ Resource Center ▾ Forms and Guides ▾ Governance ▾ About Us ▾ Contact Us ▾

FORMS

- General Forms
- Tax Professional Forms
- Individual Income Tax Forms
- Business Income Tax Forms
- Withholding Forms
- Sales and Use Tax Forms
- Travel & Convention Tax Forms
- Beer Tax Forms
- Wine Tax Forms
- Cigarette Tax Forms
- Tobacco Tax Forms
- Fuels Taxes and Fees Forms
- IFTA Licenses Forms
- Property Tax Forms
- Property Homeowners Forms

GUIDES

- General Guides
- Individual Income Tax Guides
- Business Income Tax Guides
- Withholding Guides
- Sales and Use Tax Guides
- Property Tax Forms & Guides**
- Property Homeowners Guides
- Property Appraisers Guides
- Counties Guides
- IFTA Licenses Guides
- Guides for Certain Individuals
- Guides for Certain Groups
- Guides for Certain Businesses
- Guides for Tax Professionals

MOST-REQUESTED FORMS

- Request for Copies of Idaho Tax Returns
- Power of Attorney
- Public Records Request
- Sales Tax Resale or Exemption Certificate
- Employee's Idaho Military Spouse Withholding Exemption Certificate
- Estimated Payment of Individual Income Tax

State Tax Commission's Website:

tax.idaho.gov

IDAHO STATE TAX COMMISSION

Taxes ▾ Resource Center ▾ Forms and Guides ▾ Governance ▾ About Us ▾ Contact Us ▾

Home / Taxes / Property / Property Tax Forms & Guides by Category

Property Tax Forms & Guides

Please select a property tax category.

Forms

25 entries per page

Form ID	Form Name
	2024 L-1 - County with Road M
	2024 L-2 - General

Dropdown Menu:

- All
- All
- Agriculture
- Appraisal
- Budget & Levy**
- Certification of levy rates L-1
- Deferral Or Reduction
- GIS
- Homeowners
- Operating Property
- Policy
- Timber & Forestland

State Tax Commission's Website:

tax.idaho.gov

The screenshot shows the Idaho State Tax Commission website. The header includes the IDAHO logo and navigation links: Taxes, Online Services, Forms & Guides, Governance, About Us, Contact Us, and Employment. The breadcrumb trail is Home > Governance > Reports and Statistics. The left sidebar lists: About Us, Open Meetings, Rules, Reports and Statistics (highlighted), Policy Documents, Decisions, and Statutes. The main content area is titled 'Reports and Statistics' and contains the text: 'The Idaho State Tax Commission collects data and prepares reports on a range of topics. Many of these reports are available to the public. Let us know if you have difficulty accessing any of these documents.' Below this is a section for 'Multi-tax Reports' with a red arrow pointing down labeled 'SCROLL'. Underneath, the 'Property Tax – Budget & Levy' section is visible, listing three links: 'September Values Dashboard', 'December (year-end) Values Dashboard', and 'Maximum Budget & Forgone Amounts for 2026'.

L-2 Forms

- On the web page, there will be 2 types of L-2 Excel workbooks:
 - General
 - Spreadsheet adapts to the selected district type
 - Some values are auto-filled when a district is selected (e.g., prior year operating property), so be certain that you have the correct district!
 - County with County Road & Bridge (NOT county-wide)
 - Sufficiently different to warrant a different form

Rule 803

- L-2 submitted to each county must be signed
 - Please submit the Excel doc with the signed version
 - County must have the signed version, STC will receive the Excel spreadsheet for efficient review
- Unless otherwise provided for in Idaho Code, budget requests for the property tax funded portions of the budget cannot exceed the amount published in the notice of budget hearing, if a budget hearing notice is required
- Subtract all replacement monies on the L-2 worksheet

Let's Look at the L-2 Workbook Together



Instructions & Notes	
Enter values or select text in the fields that are this color:	
Fields that turn red are above their cap or conflict with another field:	Incorrect values
If prompted: click "Enable Editing" or "Enable Content" on Excel Workbook	

2026 L-2 DASHBOARD	
User Type: Taxing District Rep or County Clerk	Taxing District Rep
Select County From Drop Down Menu:	

Instructions	1. Dashboard	2. L-2 Worksheet	3. L-2 Dollar Certification	4. Levy Rate Calculation	5. Voter Tracker
--------------	--------------	------------------	-----------------------------	--------------------------	------------------

Instructions & Notes	
Enter values or select text in the fields that are this color:	
Fields that turn red are above their cap or conflict with another field:	Incorrect values
If prompted: click "Enable Editing" or "Enable Content" on Excel Workbook	

2026 L-2 DASHBOARD	
User Type: Taxing District Rep or County Clerk	Taxing District Rep
Select County From Drop Down Menu:	Ada
Select District Type From Drop Down Menu:	City
Select District Name From Drop Down Menu:	City of Meridian
Is this district currently compliant with the local government registry of the Idaho State Controller's Office? - If not compliant, property tax budget increases are not allowed	Yes
Name of County or Counties This District Resides In:	
County Name:	Ada
Multi-County District: NO	

Percent Base Budget Growth Requested (max 3%)		3.00%
Total 2026 Net Taxable Value + Estimated Sub-roll: (not including Operating Property)	Ada	
Enter 2026 New Construction value: (reported by County Assessor at 90%)	Ada	
Does this district have annexation value reported by the assessor for 2026?		

Instructions	1. Dashboard	2. L-2 Worksheet	3. L-2 Dollar Certification	4. Levy Rate Calculation	5. Voter Tracker
--------------	--------------	------------------	-----------------------------	--------------------------	------------------

NEW!

Percent Base Budget Growth Requested (max 3%)		3.00%
Total 2026 Net Taxable Value + Estimated Sub-roll: (not including Operating Property)	Ada	\$ 123,456,789
	Canyon	\$ 456,789
Enter 2026 New Construction value: (reported by County Assessor at 90%)	Ada	\$ 123,456
	Canyon	\$ -
Does this district have annexation value reported by the assessor for 2026?		Yes
Enter the value of the annexed area: (reported by County Assessor at 100%)	Ada	\$ 56,789
	Canyon	\$ -
Does this district have expiring Urban Renewal?		No
Was this city annexed into a fire district this year?		No

"Recovered/Recaptured Property Tax and Refund List" form data	
Did this district receive Solar Farm Tax? (Column 1 of "Recovered/Recaptured Property Tax and Refund List")	No
Did this district receive income from recovered homeowner's exemptions? (Column 2 of the "Recovered/Recaptured Property Tax and Refund List")	No
Does the "Recovered/Recaptured Property Tax and Refund List" form have any amounts in column 3 for this district? (Recaptured QIE)	No
Does the "Recovered/Recaptured Property Tax and Refund List" form have any amounts in column 4 for this district? (Other reductions)	No



Rate-Regulated Electric & Gas Utility Taxes (kWh/therms tax)	
Enter the estimated revenues to be received by this district for tax year 2026 for kWh/therms tax from rate-regulated electric & gas utility companies:	\$ 123,456

Recovery of Forgone Amounts:	
District's Existing Forgone Balance:	\$ 641,236
Will the district use its forgone balance to increase this year's budget?	Yes
Max Forgone Allowed to Recover for Maintenance & Operations (up to 1%):	\$ 22,709
Enter Amount of Forgone to be Recovered for Maintenance & Operations:	\$ 22,000
Max Forgone Allowed to Recover for Capital Projects (up to 3%):	\$ 68,128
Enter Amount of Forgone to be Recovered for Capital Projects:	\$ 67,670
Please complete and submit a resolution to recover forgone	

Non-Exempt Budget Increase Calculation Summary		
This section summarizes the allowable increases from the highest non-exempt property tax budget of the last 3 years (including replacements but not solar farm tax) (see 'L-2 worksheet' tab for calculation detail)		
Base budget increase selected (up to 3% selected above)	3.00%	\$ 66,066
New construction budget increase	0.09%	\$ 1,894
Annexation budget increase subject to 8% cap	0.04%	\$ 784
Effect of 8% cap on new construction & annexation increases	0.00%	\$ -
Effect of changing kWh/therms tax revenue	-5.61%	\$ (123,456)
Other reductions to levying authority	0.00%	\$ -
Budget reduction if city annexed into fire district	0.00%	\$ -
Extra increase to the maximum budget from forgone amounts (Maintenance & Operations)	0.97%	\$ 22,000
Extra increase to the maximum budget from forgone amounts (Capital Projects)	2.98%	\$ 67,670
Total non-exempt budget increase	1.59%	\$ 34,958

NEW!



L-2 Worksheet

Previous Three Years' Property Tax Budget Data			
District Name: Example			
Amounts from 'Maximum Budget & Forgone Amounts Worksheet':	2023	2024	2025
Non-exempt property tax budget	\$ 1,864,883	\$ 2,014,430	\$ 2,197,744
Agricultural Equipment Replacement Money (+)	\$ 434	\$ 434	\$ 434
2013 Personal Property Replacement Money (+)	\$ 3,556	\$ 3,556	\$ 3,556
2022 Personal Property Replacement Money (+)	\$ 464	\$ 464	\$ 465
Recovered Homeowner's Exemptions (+)	\$ -	\$ -	\$ -
Other Reductions (+)	\$ -	\$ -	\$ -
Solar Farm Tax Revenue (not added until line 26 after all growth calculations)	\$ -	\$ -	\$ -
Forgone Recovered for Capital Projects (-)	\$ -	\$ -	\$ -
TOTAL Non-Exempt Property Tax Budget (including replacements but not including solar farm tax revenue or forgone amounts recovered for capital projects):	\$ 1,869,337	\$ 2,018,884	\$ 2,202,199

2026 L-2 Worksheet		
District Name: Example		District Type: City
Allowable Base Budget Calculation:		
Highest of the Last 3 years Non-Exempt P-Tax Budget + P-Tax Replacements (from the 'Maximum Budget & Forgone Amounts Worksheet' and highlighted in the table above)	(1)	\$ 2,202,199
Selected Base Budget Growth Entered on the Dashboard = 3% (cannot exceed 3% of line 1)	(2)	\$ 66,066



2026 L-2 Worksheet		
District Name: Example		District Type: City
Allowable Base Budget Calculation:		
Highest of the Last 3 years Non-Exempt P-Tax Budget + P-Tax Replacements (from the 'Maximum Budget & Forgone Amounts Worksheet' and highlighted in the table above)	(1)	\$ 2,202,199
Selected Base Budget Growth Entered on the Dashboard = 3% (cannot exceed 3% of line 1)	(2)	\$ 66,066
New Construction, Annexation, & Expiring Urban Renewal Allowable Budget Increases Calculation:		
2025 Value of District's Operating Property from Each Applicable County:		
Ada	(3a)	\$ 23,126,812
Canyon	(3b)	\$ 843,105
	(3c)	
	(3d)	
Total 2025 Operating Property Value (total of lines 3a thru 3d):	(3)	\$ 23,969,917
2026 District's Net Taxable Value & Estimated Sub-roll from Each Applicable County:		
Ada	(4a)	\$ 123,456,789
Canyon	(4b)	\$ 456,789
	(4c)	
	(4d)	
Total 2026 Net Taxable Value & Estimated Sub-roll (total of lines 4a thru 4d):	(4)	\$ 123,913,578
Preliminary Levy Rate for New Construction:		
2026 New Construction Preliminary Levy Rate ((line 1 + line 2) / (line 3 + line 4)) = (\$2,268,265 / \$147,883,495)	(5)	0.015338189
2026 Value of District's New Construction Roll from Each Applicable County:		
Ada	(6a)	\$ 123,456
Canyon	(6b)	\$ -
	(6c)	\$ -
	(6d)	\$ -
Total New Construction Roll (NOT including expiring Urban Renewal) (total of lines 6a thru 6d)	(6)	\$ 123,456
Allowable Budget Increase for New Construction Roll (multiply line 5 by line 6)	(7)	\$ 1,894
2026 Value of District's Annexed Property Subject to the 8% Cap:		
2026 Full Taxable Value of Annexation Assessed by County	(8)	\$ 56,789
90% of Annexation Value in line 8	(9)	\$ 51,110
Estimated Value of 2025 Annexed Operating Property (line 8 divided by line 4, then multiplied by line 3)	(10)	\$ 10,985
2026 annexation preliminary levy rate ((line 1 + line 2)/(line 3 + line 4 + line 10))	(11)	0.015337050
Allowable Budget Increase for Annexations Subject to 8% Cap (multiply line 9 by line 11)	(12)	\$ 784
8% Cap on Allowable Non-Exempt Budget Increases (Except Expiring Urban Renewal):		
Total of Budget Increases Listed Above (line 2 + line 7 + line 12)	(13)	\$ 68,744
Max 8% Cap on Budget Increases Listed Above (line 1 * 8%)	(14)	\$ 176,176
8% Cap Adjustment for Non-Exempt Budget (line 14 - line 13 or zero, whichever is smaller)	(15)	



2026 Expiring Urban Renewal:			
Expiring Urban Renewal Increment Value to be Reduced to 80%	(16)	\$	-
Expiring Urban Renewal Increment Value to be Reduced to 90%	(17)	\$	-
Total Expiring Urban Renewal Increment Value after Reductions (line 16 * 80%) + (line 17 * 90%)	(18)	\$	-
Allowable Budget Increase for Expiring Urban Renewal (line 18 multiplied by line 5)		(19)	\$ -
	(20)	\$	-
	(21)	\$	-
		(22)	\$ -
Total Non-Exempt Property Tax Budget After Increases Calculated Above (line 1 + line 2 + line 7 + line 12 + line 15 + line 19 + line 20)	(23)	\$	2,270,943
Previously Forgone Increases & Previous Solar Farm Tax:			
Total accrued forgone balance (from the 'Maximum Budget and Forgone Amount Worksheet')		\$	641,236
Forgone amount to be recovered in this year's budget for Maintenance & Operations (up to 1% of line 23)	(24)	\$	22,000
Forgone amount to be recovered in this year's budget for Capital Projects (up to 3% of line 23)	(25)	\$	67,670
Solar Farm Tax received in the highest budget of the last 3 years (added back in after all growth)	(26)	\$	-
Maximum Non-Exempt Property Tax Budget After All Allowable Increases and Before Subtractions (line 23 + lines 24 thru 26)	(27)	\$	2,360,613
Property Tax Replacements:			
Yearly amount of the agricultural equipment replacement money	(28)	\$	434
Yearly amount of the 2013 personal property replacement money	(29)	\$	3,556
Yearly amount of the 2022 personal property replacement money	(30)	\$	465
Estimated tax for the current tax year from rate-regulated electric & gas companies	(31)	\$	123,456
Recovered Homeowner's Exemption property tax	(32)		
Recaptured QIE	(33)		
Total Property Tax Replacements (Add lines 28 thru 33)	(34)	\$	127,911
Other Subtractions from Levying Authority:			
Other reductions reported in column 4 of the Recovered/Recaptured Property Tax list	(35)		
Solar Farm Tax received in the current year (7/1/25 - 6/30/26)	(36)		
Total additional revenues to be subtracted from levying authority (Add lines 35 & 36)	(37)	\$	-
Fire District Annexation (Cities Only):			
If annexed by a fire district, the amount spent on fire services in the prior year is to be subtracted here	(38)	\$	-
For School Districts Only:			
	(39)		
	(40)		
Maximum Allowable Non-Exempt Property Tax That Can Be Levied (Including Forgone Amount):			
Maximum non-exempt property tax budget including forgone amount (lines 27 - 34 - 37 - 38)	(41)	\$	2,232,702

NEW!



2026 Dollar Certification of Budget Request to Board of County Commissioners L-2 (the "L-2 Worksheet" and applicable "Voter Approved Fund Tracker" and budget publication must be attached)					
District Name: Example					
Fund Name	Total Approved Budget*	Cash Forward Balance	Other revenue NOT shown in Column 5	Property Tax Replacements and Other Subtractions (Line 34 + Line 37 of 'L-2 Worksheet')	Balance to be levied Col. 2 minus (Cols. 3+4+5)
1	2	3	4	5	6
M&O	\$2,267,911			\$127,911	\$2,140,000
NON-LEVIED FUNDS (must net zero)					
Column Subtotal:	\$2,267,911			\$127,911	\$2,140,000
Maximum Allowable Non-Exempt Property Tax Amount to be Levied:					\$2,143,032
Exempt Funds (Bonds, Overrides, & Judgment Funds)					
63-1305 Judgments	\$12,345				\$12,345
Column Subtotal:	\$12,345				\$12,345
Column Total:	\$2,280,256			\$127,911	\$2,152,345
Expected Totals (for balancing purposes, values from 'L-2 Worksheet')				\$127,911	
I, the undersigned, attest that a public hearing was held and a resolution was adopted to:				Max Reserved Forgone:	\$3,032
RESERVE the current year's forgone amount, OR				Reserved Forgone:	
RECOVER forgone amounts (line 24 + line 25 of the 'L-2 Worksheet')				Recovered Forgone:	
I intend to submit a resolution to reserve this year's forgone amount to the STC by 12/31/2025.				Initials:	



Exempt Funds					
(Bonds, Overrides, & Judgment Funds)					
63-1305 Judgments	\$12,345				\$12,345
Column Subtotal:	\$12,345				\$12,345
Column Total:	\$2,280,256			\$127,911	\$2,152,345
Expected Totals (for balancing purposes, values from 'L-2 Worksheet')				\$127,911	
I, the undersigned, attest that a public hearing was held and a resolution was adopted to:				Max Reserved Forgone:	\$3,032
RESERVE the current year's forgone amount, OR				Reserved Forgone:	
RECOVER forgone amounts (line 24 + line 25 of the 'L-2 Worksheet')				Recovered Forgone:	
I intend to submit a resolution to reserve this year's forgone amount to the STC by 12/31/2025.				Initials:	
I certify that the amounts shown above accurately reflect the budget being certified in accordance with the provisions of I.C. §63-803.					
To the best of my knowledge, this district has established and adopted this budget in accordance with all provisions of Idaho Law.					
Printed Name	Signature of District Representative		Title	Date	
Contact Name and Mailing Address			Email Address		
Phone Number (###) ###-### EXT ###			Fax Number (###) ###-###		

* Do not include revenue allocated to urban renewal agencies



What to Submit?

- 2026 Dollar Certification of Budget Request to Board of County Commissioners L-2 (Signed)
- Budget hearing publication
- Voter-approved fund tracker
- If new voter-approved fund:
 - Canvass of votes
 - Ballot language
- Regardless of county signature requirements, please submit the Excel L-2 file
 - Greatly expedites review & approval



QUIZ?

Budget & Levy Workshops -
General Session Quiz #3



<https://forms.office.com/g/XezrdG4Tgv>



Q & A

What questions do you have for us?