

**Property Tax Administrative Rules Committee
April 2023 Meeting Agenda**

Date: April 12, 2023
Time: 9:00 AM
Location: 11321 W Chinden Blvd, Boise 83714
Coral Room – First Floor

Agenda Items

- Property Tax Rule’s Subcommittees
 - Assessment – George Brown, Matt Virgil
 - Budget and Levy – Alan Dornfest
 - Education – Jeff Middleton
 - Exemptions and PTR – George Brown, Pam Waters
 - GIS – Kevin Jones
 - Operating Property – Jerott Rudd
 - Timber – Rod Brevig
- General Property Tax Rules – Alan Dornfest, Kathlynn Ireland
 - Rule 000..... Page 2
 - Rule 001..... Page 2
 - Rule 002..... Page 2
 - Rule 003..... Page 2
 - Rule 230..... Page 3
- Ratio Study Rules – Alan Dornfest, Matt Virgil
 - Rule 130..... Page 4
 - Rule 131..... Page 6
 - Rule 315..... Page 12
- Temporary Rule and Guidance Memo Discussion – HB 292

Next Meeting: June 15, 2023
11321 W Chinden Blvd, Boise 83714
Coral Room – First Floor

Meeting Adjourn

GENERAL PROPERTY TAX RULES

000. LEGAL AUTHORITY (RULE 000).

In accordance with Section 63-105 and 63-105A, Idaho Code, the Tax Commission has promulgated rules implementing the provisions of the Idaho Statutes relating to the property tax laws and related statutes, Chapters 1 through 17 and Chapters 28, 30, 35, 36, and 45, Title 63, Idaho Code. Rules relating to the market value of recreational vehicles are authorized by Section 49-446, Idaho Code. ~~Rules relating to taxation of newly constructed improvements are authorized by Section 63-105A, Idaho Code.~~ Brett Jarvis

~~001. TITLE AND SCOPE (RULE 001).~~

~~These rules are titled IDAPA 35.01.03, "Property Tax Administrative Rules."~~
Brett Jarvis

002. ADMINISTRATIVE APPEALS (RULE 002).

This chapter does allow administrative relief of certain provisions outlined herein. These rules relate to proceedings pursuant to Sections 63-407 and 63-707, Idaho Code.

003. INCORPORATION BY REFERENCE (RULE 003).

Unless provided otherwise, any reference in these rules to any document identified in Rule 003 of these rules will constitute the full incorporation into these rules of that document for the purposes of the reference, including any notes and appendices therein. The term "documents" includes codes, standards, or rules adopted by an agency of the state or of the United States or by any nationally recognized organization or association.

01. Availability of Reference Material. Copies of the documents incorporated by reference into these rules can be electronically accessed as noted in Subsection 003.02 of this rule.

02. Documents Incorporated by Reference. The following documents are incorporated by reference into these rules:

a. "Standard on Ratio Studies" published in 2013, "Standard on Digital Cadastral Maps and Parcel Identifiers" published in 2015, "Standard on Mass Appraisal of Real Property" published in 20~~17~~¹⁷, "Standard on Verification and Adjustment of Sales" published in 20~~20~~²⁰, all published by the International Association of Assessing Officers. These documents can be electronically accessed at http://www.iaao.org/wcm/Resources/Publications_access/Technical_Standards/wcm/Resources_Content/Pubs/Technical_Standards.aspx?hkey=9c330567-135b-4adc-a772-00008232ab90 which was last accessed and verified on ~~July 18, 2019~~ ^{April, 10 2023}.

b. "Forest Habitat Types of Northern Idaho: A Second Approximation" published by the Government Printing Office for the U. S. Forest Service in 1991, General Technical Report INT-236, written by Cooper, Stephen V., Neiman, Kenneth E., Rev, David W., and Roberts,

Kenneth E.

c. “Forest Habitat Types of Central Idaho” published by the Government Printing Office for the Intermountain Forest and Range Experimentation Station of the U. S. Forest Service in 1981, General Technical Report INT-114, written by Kittams, Jay A., Pfister, Robert D., Ryker, Russell A., and Steele, Robert.

d. “Yield of Even-Aged Stands of Ponderosa Pine” published by the Government Printing Office for the U. S. Department of Agriculture in 1938, Technical Bulletin No. 630.

e. “Second-Growth Yield, Stand, and Volume Table for the Western White Pine Type” published by the Government Printing Office for the U. S. Department of Agriculture in 1932, Technical Bulletin No. 323.

f. “Manual of Surveying Instructions” published by the Federal Bureau of Land Management and the Public Land Survey System Foundation in 2009.

230. Extensions Of Statutory Deadlines For Disaster Relief (Rule 230).

Section 63-220, Idaho Code

01. Application by County Officials. A county official ~~who, because of any extension of time authorized by Section 63-220, Idaho Code, is unable to comply with a statutory deadline imposed in Title 63, Idaho Code, may~~ will apply for an extension in writing to the Tax Commission ~~for a reasonable delay, not to exceed sixty (60) days, of any such act.~~

~~02. Contents of Application.~~ The application will be submitted prior before to the statutory deadline, ~~in regard to which the approval of delay is sought~~ and the application will include the following:

a. A description of the nature of the relief granted, or expected to be granted, to taxpayers pursuant to Section 63-220(1), Idaho Code, by the Board of County Commissioners; and

b. Identification of any statutory deadline germane to the requested extension ~~in regard to which the delay is sought~~; and

c. The date by which the official making the application expects to accomplish the action specified in the extension application ~~in regard to which the delay is sought~~; and

d. A request that the Tax Commission approve the delay sought.

032. Procedure. Within five (5) working days of receipt of the request, the Tax Commission will respond in writing to the official requesting the delay. The Tax Commission will approve any request for an extension that complies with ~~Subsections 230.01 and 230.02 of~~ this rule.

RATIO STUDY RULES

130. DESCRIPTION OF PRIMARY CATEGORIES USED TO TEST FOR EQUALIZATION (RULE 130). Sections 63-109 and 63-315, Idaho Code.

~~The State Tax Commission establishes the p~~Primary categories listed herein are for the purpose of testing values in each county and each school district for equalization by the Tax Commission under Section 63-109, Idaho Code. (3-20-20)

01. Definitions. The following definitions apply for the purposes of testing for equalization under Section 63-109, Idaho Code, ~~notification under Sections 63-301 and 63-308, Idaho Code,~~ and reporting under Section 63-509, Idaho Code. (3-30-07)

a. Primary Category. The following secondary categories are included in studies of the indicated Pprimary category: ~~Primary category means the six (6) categories established and described in the conversion table in Subsections 130.02 through 130.07 of this rule, except for the use of secondary categories described in Subsection 130.07 of this rule and Paragraphs 131.02.b. and 131.05.b. of Rule 131, and used by the Tax Commission to test for equalization under Section 63-109, Idaho Code.~~

- i. Vacant Residential Land: secondary categories 12, 15, 18 and 20.
- ii. Improved Residential Property: secondary categories 10, 12, 15, 18, 20, 26, 31, 34, 37, 40, 41, 46, 47, 48, and 50.
- iii. Vacant Commercial or Industrial Land: secondary categories 11, 13, 14, 16, 17, 21, and 22.
- iv. Improved Commercial or Industrial Property: secondary categories 11, 13, 14, 16, 17, 21, 22, 27, 33, 35, 36, 38, 39, 42, 43, and 51;
- v. Manufactured Housing: secondary categories 47, 49, and 65.
- vi. Agricultural Land: secondary categories 1 – 5. (3-20-20)

b. Secondary Category. Secondary category means the categories established and described in Rules 510, 511, and 512 of these rules. ~~and used by county assessors to list property values on the valuation assessment notice under Sections 63-301 and 63-308, Idaho Code, and report values to the Tax Commission under Section 63-509, Idaho Code, and Rule 509 of these rules.~~ (3-20-20)

02. Conversion table. Vacant Residential Land Category. ~~Vacant residential land is all vacant land used for residential purposes. The assessor listed Tthis is land listed in secondary categories 12, 15, 18, or 20, as described in Rule 510 of these rules, for the purposes of listing property values on the valuation assessment notice under Sections 63-301 and 63-308, Idaho Code, and reporting values to the Tax Commission under Section 63-509, Idaho Code, and Rule 509 of these rules.~~ (3-20-20)

~~03. Improved Residential Property Category. Improved residential property is all improvements used for residential purposes and the land upon which these improvements are located. The assessor listed t This is property listed in secondary categories 10 and 31, 46, or 48, 12 and 34, 46, or 48, 15 and 37, 46, or 48, 18 and 40, 20 and 41, 46, or 48, 26, 46, 48, or 50 together with secondary category 47 as appropriate for inclusion when valuing this property, as described in Rules 510 and 511 of these rules, for the purposes of listing property on the valuation assessment notice under Sections 63-301 and 63-308, Idaho Code, and reporting values to the Tax Commission under Section 63-509, Idaho Code, and Rule 509 of these rules. (3-20-20)~~

~~04. Vacant Commercial or Industrial Land Category. Vacant commercial or industrial land is all vacant land used for commercial or industrial purposes. The assessor listed this This property is listed in secondary categories 11, 13, 14, 16, 17, 21, or 22, as described in Rule 510 of these rules, for the purposes of listing property values on the valuation assessment notice under Sections 63-301 and 63-308, Idaho Code, and reporting values to the Tax Commission under Section 63-509, Idaho Code, and Rule 509 of these rules. (3-20-20)~~

~~05. Improved Commercial or Industrial Property Category. Improved commercial or industrial property is all improvements used for commercial or industrial purposes and the land upon which these improvements are located. The assessor listed this This property is listed in secondary categories 11 and 33, 13 and 35, 14 and 36, 16 and 38, 17 and 39, 21 and 42, 22 and 43, 27, or 51, as described in Rules 510 and 511 of these rules, for the purposes of listing property values on the valuation assessment notice under Sections 63-301 and 63-308, Idaho Code, and reporting values to the Tax Commission under Section 63-509, Idaho Code, and Rule 509 of these rules. (3-20-20)~~

~~06. Manufactured Homes on Leased Land Category. Manufactured homes on leased land are all manufactured homes on leased land that the assessor listed in secondary categories 49 or 65 together with secondary category 47 as appropriate for inclusion when valuing this property, as described in Rule 511 of these rules, for the~~

~~purposes of listing property values on the valuation assessment notice under Sections 63-301 and 63-308, Idaho Code, and reporting values to the Tax Commission under Section 63-509, Idaho Code, and Rule 509 of these rules.~~

~~(3-20-20)~~

~~07. Agricultural Land Category. Agricultural land is all land that the assessor listed in secondary categories 1 through 5 as described in Rule 510 of these rules. For agricultural land, secondary, rather than primary, category values are to be tested if significant in any county as defined in Rule 131 of these rules. (3-20-20)~~

08. Conversion Table: Secondary Categories to Primary Categories.

Conversion Table: Secondary Categories to Primary Categories	
Secondary Categories	Primary Categories
12, 15, 18, or 20	Vacant Residential Land
10, 12, 15, 18, 20, 26, 31, 34, 37, 40, 41, 46, 47, 48, or 50	Improved Residential Property
11, 13, 14, 16, 17, 21, or 22	Vacant Commercial or Industrial Land
11, 13, 14, 16, 17, 21, 22, 27, 33, 35, 36, 38, 39, 42, 43, or 51	Improved Commercial or Industrial Property
47, 49, or 65	Manufactured Housing on Leased Land
1-5	Agricultural Land

See Conversion Table at <http://tax.idaho.gov>

092. Cross Reference. ~~For clarification of responsibilities relating to listing values on the valuation assessment notices or reporting values on the abstracts, see See Rules 114, 115, 509, 510, 511, and 512 of these rules. For descriptions of secondary categories used to list land values on the valuation assessment notices and report land values on the abstracts, see Rule 510 of these rules, used to list improvement values on the valuation assessment notices and report improvement values on the abstracts, see Rule 511 of these rules, and used to list values for all property other than land or improvements on the valuation assessment notices and report these values on the abstracts, see Rule 512 of these rules.~~

(3-30-07)

131. USE OF RATIO STUDY OR OTHER METHOD TO TEST FOR EQUALIZATION IN COUNTIES (RULE 131).

Section 63-109, Idaho Code

01. Equalization Ratio Study - Primary Categories Other than Agricultural Land. Each year the State Tax Commission will conduct a ratio study to assist in the equalization of assessments of property within and among the primary categories, other than agricultural land, established in Rule 130 of these rules. The ratio study ~~will be~~ **is** conducted in accordance with the “Standard on Ratio Studies” and the “Standard on Verification and Adjustment of Sales” both referenced in Rule 00**36** of these rules.

a. The annual ratio study will test assessments as of January 1 of each year. Assessments are tested using sales occurring between October 1 of the year preceding the year for which assessments are to be tested and September 30 of the year for which assessments are tested. ~~Except~~ Alternate time frames may be used when sales ~~or appraisals~~ must be added ~~or~~

~~deleted~~ to improve representativeness or when an alternate study, as described in Subsection 09 of this rule, is to be used.; ~~sales used will be those occurring within each county between October 1 of the year preceding the year for which assessments are to be tested and September 30 of the year for which assessments are to be tested.~~ Each sale price is ~~to be~~ adjusted for time and compared to market value for assessment purposes for the year for which assessments are to be tested, ~~to compute ratios to be analyzed.~~ To improve representativeness, ~~t~~The Tax Commission may use sales from extended time periods, may add or delete sales, and may add appraisals when data is lacking. Equalization ratio studies must consist of at least five (5) sales and/or appraisals. ~~The Tax Commission may delete sales when necessary to improve representativeness.~~ Sales should be considered as potentially valid if a financial institution is the seller, provided that criteria found in the “Standard on Verification and Adjustment of Sales” are met. (3-20-20)

~~a. Such sales comprise more than twenty percent (20%) of the sales in any primary category or other category tested for equalization; (4-4-13)~~

~~b. Such sales are validated to account for changes in property characteristics; and (4-4-13)~~

~~c. Any properties that have been vandalized are excluded. (4-4-13)~~

~~d.b.~~ The study will be completed annually in March and notice provided to county official in accordance with Section 63-109, Idaho Code. ~~February following the end of the period studied. Timing and notification of county officials is described in the “Timing and Notification Table” as provided in Subsection 131.03 of this rule.~~ For non-agricultural categories, the appropriate ratio study statistical measure of level is the median. For agricultural land categories, level of assessment is to be determined as described in Paragraph 131.02.b. of this rule. (3-20-20)

02. Equalization Study – Agricultural Land. Each year the Tax Commission will conduct a study to assist in the equalization of assessments of agricultural land. Any such study will analyze agricultural land values throughout each significant secondary agricultural land category using valuation methods found in Section 63-602K, Idaho Code and Rule 617 of these rules. A secondary agricultural land category having at least 10% of the acreage and at least 5% of the value of the primary agricultural land category is considered significant.

(3-20-20)

~~a. Notice of results and compliance will be provided to county officials according to the timing shown in Subsection 131.03 of this rule.~~ County officials will receive notice of the results and compliance in accordance with Section 63-109, Idaho Code.

~~b. Agricultural land secondary categories considered significant, as defined in Paragraph 131.02.c. of this rule, in any county will be subject to preliminary and follow up studies~~

of assessment level. Both studies will be based on valuation methodology described in Rule 617 of these rules, the results of which are considered the taxable value for the agricultural land. The preliminary study will be in comparison to prior year's assessed values. The follow-up studies will test current year's assessed values and will only be required when preliminary studies indicate level of assessment less than ninety percent (90%) or greater than one hundred ten percent (110%) of market value for assessment purposes. Assessed values for any agricultural land secondary category with an indicated level determined to be within this range and those categories not considered significant in a county will be considered in compliance. Note: For the purpose of this analysis, "level" means the ratio of the median per acre assessed value and the median per acre value for the secondary category determined by the Tax Commission using the valuation methodology found in Rule 617 of these rules. Significant secondary agricultural land categories are subject to preliminary and follow-up studies of assessment level and are studied based on the valuation methodology described in Rule 617 of these rules. The preliminary study is a comparison to the prior year's assessed values. The follow-up studies will test the current year's assessed values and are required when preliminary studies indicate a level of assessment less than ninety percent (90%) or greater than one hundred ten percent (110%) of market value for assessment purposes. Categories meeting these criteria, and those categories not considered significant in a county, are in compliance. Level means the ratio of the median per acre assessed value and the median per acre value for the secondary agricultural land category determined by the Tax Commission using the valuation methodology found in Rule 617 of these rules. (3-20-20)

c. ~~A secondary agricultural land category will be considered significant provided the category includes at least 10% of the acreage and at least 5% of the value of the primary agricultural land category.~~

d. Secondary ~~A~~ agricultural land categories may also be subject to follow-up studies if the Tax Commission has received information indicating that county boards of equalization have changed values in such a way as to produce likely non-compliance. ~~Notice for such follow-up studies will comport, to the extent possible, with the procedures found in Subsection 131.06 of this rule. The timetable for completing preliminary and follow up studies and providing notice is shown in the "Timing and Notification Table" found in Subsection 131.03 of this rule.~~ (3-20-20)

03. ~~Timing and Notification Table.~~

Date	Activity
April — 1st Monday	The Tax Commission will notify assessors of preliminary ratio and agricultural land study results.
April — 3rd Monday	The Tax Commission will notify the board of county commissioners (BOCC) of non-compliant primary ratio study categories and agricultural land secondary categories.
May — 1st Monday	On request by the county assessor, the Tax Commission will conduct additional studies for non-compliant categories

	using current year assessments.
May—2nd Monday	The Tax Commission will notify county assessors and commissioners of results of additional studies.
July—3rd Monday	The Tax Commission will conduct final follow-up studies for originally non-complying categories using county equalized values. Additional studies may be conducted if there is indication that county boards of equalization have taken actions that may have resulted in non-compliance for previously complying primary or secondary categories. Assessors and county commissioners will be notified of results and compliance status by the 4th Monday in July, except that this deadline and the 3rd Monday in July deadline are to be extended if an extension has been granted to the county board of equalization. In that case, the final or additional studies will be finalized and notice provided within one week of the conclusion of the county board of equalization.

See Timing and Notification Table at <http://tax.idaho.gov>

04. Tested for Equalization. Except as provided in Subsection 131.05 of this rule, categories, other than agricultural land to be tested for equalization purposes are the primary categories, described in Subsections ~~130.012 through 130.026~~ of these rules; ~~provided adequate samples can be obtained.~~ Agricultural land is to be tested as provided in Subsection 131.02 of this rule. ~~(3-20-20)~~

05. Follow-Up Ratio Study. ~~If the annual ratio study indicates that assessments in any primary category are out of compliance with the standards of this rule, a follow-up study is required. In addition, if the Tax Commission is informed that a county board of equalization has implemented changes to assessments, likely resulting in a category failing compliance with the standards for the current year's assessments, a follow-up study is also required. A follow-up ratio study tests the assessments for January 1 of the year following the timeframe used in the preliminary agricultural study or the annual ratio study. The follow-up study uses property sales during the calendar year immediately preceding that date. When indicated, based on criteria in Paragraph 131.05.a. and 131.05.b. of this rule, a follow-up ratio study will be conducted to test the assessments for January 1 of the year following the year tested by the preliminary agricultural study or annual ratio study and if such a ratio study is to be done, it will be based on property sales occurring during the calendar year immediately preceding that date. A follow-up ratio study will be indicated whenever:~~ ~~(3-20-20)~~

~~a. The annual ratio study, provided in Subsections 131.01 and 131.02 of this rule, discloses that assessments in any primary category as described in Subsections 130.02 through 130.06 of these rules are out of compliance with the equalization standards of this rule; or (4-2-08)~~

~~_____ b. _____ The Tax Commission is informed after the county board of equalization adjourns and before the state board of equalization adjourns of the implementation of assessment changes likely to result in a finding that a category found in compliance with equalization standards following the agricultural land study or annual ratio study would be found out of compliance with these standards for the current year's assessments. The follow-up agricultural land study or ratio study authorized under this option will be conducted for the primary category likely to be out of compliance with equalization standards and for any secondary categories comprising the primary category, provided adequate samples can be obtained. (3-20-20)~~

06. Notice of Follow-Up Ratio Study. ~~The Tax Commission will notify the county assessor of the reason for and results of the follow-up ratio study. If the follow-up ratio study is conducted as provided in Paragraph 131.05.b. or 131.02.d. of this rule, the notice will be sent to the county commissioners or board of equalization and county assessor and will describe the assessment changes that resulted in the need for the follow-up ratio study. The notice will indicate whether any adjustments will be considered by the Tax Commission at its next equalization meeting in August based on either the annual, or any follow-up ratio study, and the reason for the proposed adjustments. The Tax Commission will notify the county commissioners, the county board of equalization, and the county assessor of the results of any follow-up study. The notification will include a description of assessment changes if such changes initiated the follow-up study. The notice will specify the compliance status of each category and will state whether and why the Tax Commission considers adjusting non-compliant categories based on the annual or follow-up ratio studies at the State Board of Equalization meeting.~~

~~(3-20-20)~~

07. Use of Ratio Study Results. ~~If the results of the annual ratio study or any follow-up ratio study will be one (1) source of information upon which the Tax Commission may rely when testing assessments for equalization purposes under Section 63-109, Idaho Code. When the results of any ratio study on any primary, or, if applicable under the provisions of Subsection 131.02 or Paragraph 131.05.b. of this rule, secondary category, described in Subsections 130.02 through 130.09 of these rules, show, with reasonable statistical certainty as defined in Subsection 131.11 of this rule, that the appropriate measure of level of the category studied is less than ninety percent (90%) or greater than one hundred ten percent (110%), the assessments of property within that category may be considered are not equalized. When this occurs, the Tax Commission may, at its annual meeting pursuant to Section 63-108, Idaho Code, commencing on the second Monday in August, order the county auditor to adjust the value of all property in the non-compliant category or categories or any portion of such category. or aAny portion of the category included in the analysis conducted in an amount the Tax Commission finds necessary to accomplish equalization of assessments of property. Within any primary category, e Except as provided in Subsections 131.02 or 131.08 of this rule, adjustment will not be considered for any secondary category, described in Rule 510, 511, or 512 130 of these rules, that does not have at least one (1) observation in the ratio study conducted for that primary category. that does not have at least one (1) observation. (3-20-20)~~

08. Exception from Requirement for at Least One (1) Observation for Use of Secondary Category in Adjusted Value Determination. ~~Properties identified as secondary categories 10 and 31 rarely sell separately from farms and therefore do not appear in any ratio~~

study. However, the level of assessment typically is similar to that of other rural residential property, including property in secondary categories 12, 15, 34, and 37. For any ratio study where there is an adjustment to be made ~~warranted~~ to the assessed values in the residential designation, such adjustment will be applied to any assessed value in secondary category 10, provided there is at least one observation (sale) of property identified in either secondary category 12 or 15. Such adjustment will also be applied to any assessed value in secondary category 31, provided there is at least one (1) observation (sale) of property identified in either secondary category 34 or 37. (3-20-20)

If the ratio study results warrant an adjustment to the assessed values of the primary residential category, secondary category 10 will receive a similar adjustment if at least one property observation occurs in either category 12 or 15. Such adjustment is also warranted to the assessed values in secondary category 31 if at least one (1) observation occurs in secondary category 34 or 37.

09. Use of Alternate Ratio Study. When the follow-up ratio study required by Subsection 131.05 of this rule does not measure the true assessment level, the Tax Commission may consider adjustment based on the most recent ~~annually conducted~~ ratio study or other information relevant to equalization. ~~If the Tax Commission has reason to question the representativeness of the sample used in an annual or follow up ratio study conducted on any primary category, the Tax Commission may delay implementation of any order to adjust property values until two (2) successive years' ratio studies fail to produce an appropriate measure of level between ninety percent (90%) and one hundred ten percent (110%).~~ (3-20-20)

10. Submission of Additional Information. Any party may request that petition the Tax Commission ~~to~~ consider any information or studies relevant to equalization. Such a request ~~The petition~~ will include a description of the information to be presented and ~~the petitioner's~~ conclusions drawn from the information. (3-20-20)

11. Reasonable Statistical Certainty. For the purposes of equalization of primary categories other than agricultural categories ~~Rule 131 and equalization pursuant to Section 63-109, Idaho Code,~~ "reasonable statistical certainty" that any primary category is not equalized is found ~~will mean~~ that the appropriate measure of level determined by the ratio study for any category tested for equalization must be is ~~is~~ provably less than ninety percent (90%) or greater than one hundred ten percent (110%) of market value for assessment purposes. Such a determination will occur if: (3-20-20)

a. The ~~appropriate measure of level~~ median ratio for the category(ies) being tested is less than ninety percent (90%) or greater than one hundred ten percent (110%) and a ninety percent (90%) two-tailed confidence interval around the ~~appropriate measure of level~~ median fails to include ninety percent (90%) or one hundred ten percent (110%); or (4-7-11)

b. ~~The appropriate measure of level for the category(ies) being tested has been less than ninety percent (90%) or greater than one hundred ten percent (110%) as determined by the most recent previous two (2) ratio studies on the category(ies) and a~~ An eighty percent (80%) two-tailed confidence interval around the ~~appropriate measure of level~~ median fails to include ninety percent (90%) or one hundred ten percent (110%) and this failure has continued for the current

~~and most recent two year's ratio studies on the category(ies). No ratio study completed prior to August 31, 2007 will be considered as one of the most recent previous two (2) ratio studies. (4-7-11)~~

12. Cross References. ~~See Rules 130, 510, 511, 512, and 617. The primary categories are described in Subsections 130.02 through 130.07 of these rules, and the secondary categories are described in Rules 510, 511, and 512 of these rules. (3-20-20)~~

315. USE OF RATIO STUDY TO EQUALIZE BOISE SCHOOL DISTRICT (RULE 315).
Sections 63-315, 33-802(6), 50-2903, Idaho Code

01. Procedures for Boise School District Ratio Studies. The Boise School District ratio study ~~conducted by the Tax Commission to comply with the requirements of Section 63-315, Idaho Code, will be~~ is conducted in accordance with the "Standard on Ratio Studies" referenced in Rule 003 of these rules. ~~The following specific procedures will be used:~~
(4-2-08)

a. Information on property sales, which meet the requirements of arm's length and market value sales, ~~will be obtained and~~ is assembled into samples representing ~~various primary categories, described in Subsections 130.02 through 130.06 of these rules, and secondary categories, described in Rules 510, 511, and 512 of these rules, within~~ designations defined in Subsection 315.02 of this rule in the Boise School District. Except when sales or appraisals must be added or deleted to improve representativeness, sales used ~~will be~~ are those occurring within the Boise School District between October 1 of the year preceding the year for which adjusted market value is to be computed and September 30 of the next year ~~for which adjusted market value is to be computed~~. Each sale price is ~~to be~~ adjusted for time and compared to market value for assessment purposes for the year for which adjusted market value is to be computed; ~~to compute ratios to be analyzed~~. The Tax Commission may use sales from extended time periods and may add appraisals when data is lacking. ~~The Tax Commission may delete sales when necessary to improve representativeness.~~
(4-2-08)

b. ~~A ratio will be determined for each sale by dividing t~~ The market value for assessment purposes of the sale or appraised property is divided by the adjusted sale price or appraised value to determine the ratio .
(7-1-98)

c. A statistical analysis is ~~to be~~ conducted for the sales and any appraisals in each property designation described in Subsection 315.02 of this rule in the Boise School District and appropriate measures of central tendency, uniformity, reliability, and normality computed. (4-2-08)

d. ~~With the exception of any property designations with extended time frames or added appraisals,~~ If fewer than five (5) sales and appraisals are available, no adjustment to the taxable value of the designation is ~~will be~~ made.
(7-1-98)

e. ~~If there are five (5) or more sales and appraisals and~~ it is determined with reasonable

statistical certainty that the property designation is not ~~already~~ at market value for assessment purposes, an adjusted market value ~~is will be~~ computed for the Boise School District by dividing the taxable value for the year for which adjusted market value is to be determined by the appropriate ratio derived from the ratio study. The appropriate ratio to be used ~~is will be~~ the weighted mean ratio calculated from the sample for each designation, unless it can be clearly demonstrated that this statistic has been distorted by non-representative ratios. In this case the median may be substituted. ~~;~~ (4-2-08)

f. Within the Boise School District, adjusted market value or taxable value for each ~~primary and each applicable~~ secondary category of real, personal and operating property ~~is will be~~ summed to produce the ~~total~~ adjusted market value for the Boise School District. The Boise School District taxable value ~~will then be is~~ divided by this adjusted market value to produce the overall ratio of assessment in the Boise School District. ~~Statewide totals are to be calculated by compiling county totals.~~ (4-2-08)

g. Urban renewal increment values ~~are will not be~~ included in the taxable value or the adjusted market value for the Boise School District. Upon receipt of an urban renewal agency's resolution recommending the adoption of an ordinance for termination of a revenue allocation area by December 31 of a given year, the increment value in the immediate prior year ~~is will be~~ included in the taxable value and the adjusted market value for the Boise School District. If the resolution is received prior to the first Monday in April, the actual value for the immediate prior year ~~is will be~~ adjusted by adding the increment value. If any ratio study-based adjustments are warranted, ~~as provided in this rule,~~ they ~~apply~~ ~~ies~~ to the actual value including the increment value. If the resolution is received on or after the first Monday in April, but by September 1, a corrected certification of actual and adjusted values ~~is will be~~ provided as soon as practical. (3-25-16)

h. “Reasonable statistical certainty,” that the property designation in question is not at market value for assessment purposes, ~~is required. Such certainty~~ is tested using ninety percent (90%) confidence intervals about the weighted mean or median ratios. If the appropriate confidence interval includes ninety-five percent (95%) or one hundred five percent (105%), there is not “reasonable statistical certainty” that the property designation is not at market value for assessment purposes. (3-30-01)

i. ~~Primary and s~~ Secondary categories ~~are assigned to subject to adjustment following the procedure outlined in this rule and ratio study~~ designations ~~as follows: from which measures of central tendency used for adjustments will be derived are:~~ See Secondary Category Table at <http://tax.idaho.gov>

- i. Secondary categories 10, 12, 15, 18, 20, 26, 31, 34, 37, 40, 41, 46, 47, 48, 49, 65, or 50 are residential
- ii. Secondary categories 11, 13, 14, 16, 17, 21, 22, 27, 33, 35, 36, 38, 39, 42, 43, or 51 are commercial

Secondary Categories	Primary Categories	Ratio Study Designations
12, 15, 18, or 20	Vacant Residential Land	Residential
10, 12, 15, 18, 20, 26, 31, 34, 37, 40, 41, 46, 47, 48, or 50	Improved Residential Property	Residential
47, 49, or 65	Manufactured Home on Leased Land	Residential
11, 13, 14, 16, 17, 21, or 22	Vacant Commercial or Industrial Land	Commercial
11, 13, 14, 16, 17, 21, 22, 27, 33, 35, 36, 38, 39, 42, 43, or 51	Improved Commercial or Industrial Property	Commercial

(3-30-07)

j. For all secondary categories, described in Rule 510, 511, or 512 of these rules but not contained in the list in Paragraph 315.01.i. of this rule, adjusted market value will equal taxable value. (3-30-07)

k. “Appraisal” or “appraised value” refers to any Tax Commission provided ~~independently conducted~~ property appraisal. (7-1-98)

02. Use of Property Designations. In computing the ratio for the Boise School District, the Tax Commission will designate property as residential or commercial and will assign ~~sales and appraisals appropriate primary categories, described in Subsections 130.02 through 130.06 of these rules, and secondary categories, described in Rules 510, 511, and 512 of these rules,~~ to these designations as shown in Paragraph 315.01.i. of this rule. For the Boise School District, adjusted market value ~~is will be~~ computed by dividing the appropriate ratio ascertained for each of these designations into the sum of the taxable values for each ~~primary and~~ secondary category assigned to a designation. Except as provided in Subsection 315.056 of this rule, for the taxable value in any secondary category to be included in said sum, at least one (1) observation (sale or appraisal) from that secondary category must be present in the ratio study. If the ratio for any given designation in the Boise School District indicates that the market value for assessment purposes cannot be determined with reasonable statistical certainty to differ from statutorily required market value, the taxable value shown on the Boise School District abstract(s) required pursuant to Subsection 315.04 of this rule for each of the secondary categories included in that designation ~~is will be~~ the adjusted market value for said designation ~~for said school district.~~

(4-2-08)

03. Assessor to Identify Location Boise School Districts. Each county assessor will identify ~~for the Tax Commission~~ which sales submitted for the ratio study are located within the Boise School District. (4-2-08)

04. Abstracts of Value for the Boise School District. Each applicable county auditor will provide to the Tax Commission abstracts of the taxable value of all property within the portion of the Boise School District in that county. These abstracts ~~are will be~~ submitted in the same manner and at the same time as provided for county abstracts of value.

(4-2-08)

~~**05. Urban Renewal Increment and Exemption to be Subtracted.** The taxable value of each primary or secondary category within the Boise School District will not include the increment value that exceeds the value on the base assessment roll in any urban renewal district pursuant to Chapter 29, Title 50, Idaho Code, and will not include the value of any property exempt from property tax.~~ (4-11-15)

~~**05 6. Exception from Requirement for at Least One Observation for Use of Secondary Category in Adjusted Value Determination.** Properties identified as secondary categories 10 and 31 rarely sell separately from farms and therefore do not appear in any ratio study. However, the level of assessment typically is similar to that of other rural residential property, including property in secondary categories 12, 15, 34, and 37. For any ratio study where **When** there is an adjustment to be made to the assessed values in the residential designation, such adjustment applies to any assessed value in secondary category 10, provided there is at least one (1) observation (sale) of property identified in either secondary category 12 or 15. Such adjustment will also be applied to any assessed value in secondary category 31, provided there is at least one (1) observation (sale) of property identified in either secondary category 34 or 37.~~ (3-30-07)

~~**067. Certification of Values.** The Tax Commission certifies values ~~required to be certified to the county clerk by the first Monday in April each year~~ under Section 63-315, Idaho Code, ~~are certified by will be~~ publication ~~shed~~ on the Tax Commission's web site or ~~provided~~ in an alternate format on request ~~by the first Monday in April each year to satisfy this required certification.~~~~

(3-30-07)

~~**078. Cross References.** The primary categories are described in Subsections 130.02 through 130.06 of these Rules, and the secondary categories are described in See Rules 130, 510, 511, and 512 of these rules. ~~The requirement to add increment value following dissolution of an urban renewal revenue allocation area is found in Section 33-802(6), Idaho Code.~~ (3-25-16)~~