

WELCOME TO IDAHO STATE TAX COMMISSION'S 2016 BUDGET AND LEVY TRAINING



Please Sign In & Pick Up:

1. Budget & Levy Packet
 2. Evaluation Form
-

For the convenience of others please turn off cellphones and other electronic devices.



Workshop Agenda

Introductions & Goals	30 minutes	8:30 – 9:00
General Process	70 Minutes	9:00 – 10:10
Break	15 minutes	10:10 – 10:25
L-2 Forms and Related Issues	35 minutes	10:25 – 11:00
L-2 Working Problems	35 minutes	11:00 – 11:35
Additional Information – Appendix	15 Minutes	11:35 – 11:50
Wrap up	10 minutes	11:50 – 12:00

Your Instructors Today are

Alan Dornfest: Property Tax Policy Bureau Chief

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Session Goals

- Review new and existing laws that may affect property tax revenue for taxing districts
- Understand limits on property tax revenue
- Understand how to use forms to certify budgets
 - Where to get forms
 - Where to get necessary information
 - What documentation to provide

Session Limitations

- Focus is on revenue, not expenditure
 - State Tax Commission (STC) does not oversee or govern expenditures
 - Carry over authority varies
- Assume compliance with budget hearing and other publication requirements

http://tax.idaho.gov/forms/EIS00320_06-07-2012.pdf Here is a link to a list of districts and governing statutes.

Where to go for answers on expenditure issues

- 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

Taxing District General Budget and 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)
(Since this is a Saturday this notification is due May 2nd)
2. Comply with LSO Registry Requirements
3. Provide required advertisements for budget hearing, if required, dates, location, times, and publication of proposed budget
4. **New this year:** If forgone amount is to be used in budget must have a public hearing and define, by resolution, how much and for what purpose. (HB-474 Effective 7/1/2016)
5. Certify budget to county commissioners
Make sure that you sign your L-2 form before submitting it to the county (9-8-2016 or request a 7 working day extension from the county to 9-19-2016 and 9-12-2016 for school district emergency fund)

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 budget 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).**

**** May 2nd for 2016**

Tax Commission's web address for rules:
<http://adminrules.idaho.gov/rules/current/35/0103.pdf>

Local Governing Entities Central Registry

- I.C. §67-450E – Provides for a central registry and reporting portal on Legislative Services Office website.
 - (LSO contact: Shelley Sheridan – 334-4832 – registry@lso.idaho.gov for questions)
- 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.
- County may provide assistance; county may bill the entity for all reasonable fees, costs and other expenses.
- Update information by December 1 each year.
- Penalties for noncompliance
 - Frozen p-tax
 - Withheld sales tax
 - Counties may charge fees.
- By September 3 State Tax Commission (STC) will notify county clerk of noncompliant taxing districts.

County's Roles

Assessor:

1. Provide locally assessed property value information to county clerk.
2. Develop 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. Distribute tax receipts and other revenue to districts

County Commissioners:

1. Set levy rate
2. Approve property tax portion of budget
3. Submit levy & approved budget to STC
(9-19-2016 or 9/26/2016 with extension)

State Tax Commission Roles

1. Review and approve levy rates and property tax portion of budget to ensure limits not exceeded (10-24-2016)
2. Determine operating property values
 - Preliminary values in July
 - State Board of Equalization finalizes by 4th Monday in August
 - Final values in September (9-1-2016)
3. Provide technical support & assistance
4. Map boundaries of each taxing district
5. Distribute sales tax revenue sharing and property tax replacement dollars

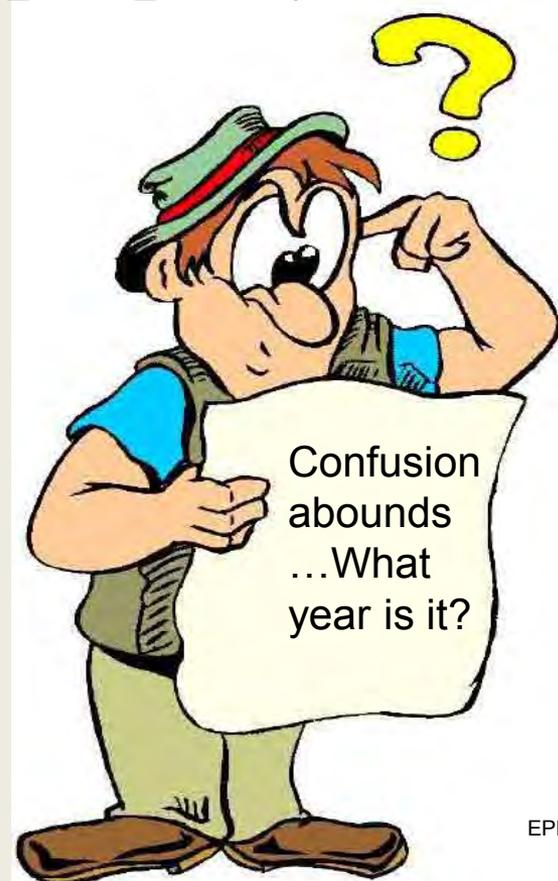
District Formation or Alterations

- STC must receive the following within 30 days after the effective date or organization or alteration, or by January 10 of the following year if effective date is near year end:
 - Recorded ordinance, order, or resolution from the taxing authority establishing the formation or alteration.
 - Legal description describing the boundary of the formation or alteration.
 - Legible map that matches the description and clearly designates the boundary of formation or alteration.
 - Contact information that is current and identifies an individual associated with the taxing district.
 - Digital or scanned copies may be submitted but must be legible.
 - Faxed copies, or copies of a fax are not recommended.
- Mail copies to: Idaho State Tax Commission, Attn: Craig Johnson, 800 Park Blvd Plaza IV, Po Box 36, Boise, Id 83722.
- Phone: 208-334-7721 – Fax: 208-334-7629
Email: craig.johnson@tax.idaho.gov

What Year is it Anyway?

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.

2016 or FY2017						



Property Taxes and the 3% Cap



Property Tax Budget and Levy Limits Defined in Idaho Code

Property Tax Budget Limit - 3% Cap Pertains to “non-exempt” budget which excludes bonds and other voter approved levies.

Section 63-802, I.C. LIMITATION ON BUDGET REQUESTS -- LIMITATION ON TAX CHARGES -- EXCEPTIONS.

(1) No taxing district shall certify a budget request for an amount of property tax revenues to finance an annual budget that exceeds the greater of:...(3% language)

Levy Rate Limit (Example)

Tighter Constraint Prevails

27-121. LEVIES BY CEMETERY MAINTENANCE BOARD COMMISSIONERS.

(1) At the last regular meeting of the cemetery maintenance board prior to the second Monday of September in each year, the cemetery board of each cemetery maintenance district may levy for cemetery purposes a property tax in each cemetery maintenance district of not more than four hundredths of one percent (.04%) of the market value for assessment purposes on all taxable property within the cemetery maintenance district.

Budget vs. Levy Limit

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

Levy limit can't be exceeded without express statutory authority.

Computing Your Maximum Non-Exempt Property Tax Budget



Computing Your Maximum Non-Exempt Property Tax

- Highest non-exempt p-tax budget of the immediate prior 3 years (including any p-tax replacement money) increased by 3%.
- New construction and/or annexation current year's value multiplied by the immediate prior year's total non-exempt levy rate.
- Previously accrued forgone amounts (see requirements next slide)
- Sum of all above equals total non-exempt p-tax budget (not necessarily what can be levied).
- **Minus** any current year's p-tax replacement revenue received.
- Results in maximum non-exempt property tax that can be levied.

Forgone Amount

(not applicable to School Districts)

- Amount of a previously allowable increase in non-exempt property tax portion of budget that was not taken (certified to be levied).

Example:

After certifying in 2015, the highest non-exempt property tax budget of last 3 years was \$100,000.

No new construction or annexation;

No replacement monies;

$\$100,000 \times 3\% = \$3,000 = \$103,000$ max. for 2016;

District certifies \$102,000 in 2016

forgone amount available in 2017 = \$1,000

Never expires and once taken, becomes part of base for future 3% calculations.
A more detailed explanation is provided with example calculations in the appendix.

2016 Forgone Amount Requirements

- HB 474 (amends I.C. §63-802) – Effective 7/1/2016
 - Prior to budgeting any forgone increase, the district must provide notice of its intent to do so, hold a public hearing, which may be in conjunction with its annual budget hearing, and certify by resolution the amount of forgone increase to be budgeted and the specific purpose for which the forgone amount is being budgeted. Upon adoption, a copy of the resolution is to be filed with the counties clerk(s) and the STC. (submittal to county with L-2 will mean submittal to STC).

Property Tax Replacement

Amounts to be deducted each year

Agricultural Equipment Replacement – amount unchanged since 2006.

Personal Property Reimbursement – fixed at 2013 amount unless corrected.

Amounts to be deducted in year received

Recovered Homeowner's Exemption – Improperly claimed H/E.

Recaptured QIE - Property tax exemption in lieu of Investment Tax Credit (QIE)

Recovered personal property reimbursement – Improperly granted PP Exemption if for years after 2013.

Property Tax Relief Fund – Local Option Sales Tax - County Only.

Total of all of the above items are to be subtracted when computing your maximum allowable non-exempt property tax budget.

However, for the purposes of computing the highest of the last 3 years and forgone amounts you add them back.

See additional information in the appendix.

Example: Computing 3% Portion of Increase

Year	2013	2014	2015
Total levied non-exempt p-tax budget	487,707	501,297	509,210
Agricultural Replacement Money	1,077	1,077	1,077
Personal Property Replacement Money*	0	7,272	7,272
**Recovered Homeowner's Exemption	110	0	0
Total Property Tax Replacement monies	1,187	8,349	8,349
Total levied non-exempt property tax budget plus property tax replacements	488,894	509,646	517,559

* **NOTE:** 2013 P-taxes not reduced by PP\$ when levies were computed but taxpayers p-tax bill reduced by the PP\$ and districts were paid PP\$.

Computation of 3% increase:

$$\begin{array}{r}
 \$ 517,559 \\
 \times 0.03 \\
 \hline
 \$ 15,527
 \end{array}
 \qquad
 \begin{array}{r}
 \$ 517,559 \\
 + 15,527 \\
 \hline
 \$ 533,086 \text{ (total plus 3\% increase)}
 \end{array}$$

** = Total collected between July 1st thru June 30th each year.

Example: New Construction Roll

2015 total non-exempt levy rate = 0.000561144

(does not include bonds etc.)

2016 new construction Roll Value = \$ 15,490,342

(qualifying new construction first taxable or allowable in 2015)

Multiply the 2016 new construction roll value
by the 2015 non-exempt levy rate:

$$\begin{array}{r} \$15,490,342 \\ \times \underline{0.000561144} \end{array}$$

\$ 8,692 additional budget allowance
(above 3% increase)

New Construction Roll

Idaho Code §63-301A & §63-802 & Rule 802

- Includes taxable property first on tax roll in 2016:
 1. New structures and newly occupied residences.
 2. Additions or alterations to existing non-residential structures.
 3. Installation of new or used manufactured housing that did not previously exist within the county.
 4. Change of land use classification (i.e. agricultural to commercial).
 5. Newly taxable as a result of loss of inventory exemption (63-602W).
 6. Improvements or installation of equipment used in conjunction with generation of electricity.
 7. Increase in increment value of dissolved Revenue Allocation Areas (RAA) – increase measured in comparison to Dec. 2006 increment value.
 - a. Excludes new construction in RAAs within Urban Renewal Districts during life of RAA.
 - b. Excludes change of land use classification in RAAs-never recaptured.
 8. Prior eligible new construction identified and reported to county assessor.
(5 Year look back limit)
- Deducts certain previously included value. (5 year limit to look back)
- A new construction value will be available for each district by late July, but is subject to correction until first Monday in September.

Deductions Made To New Construction Roll I.C. §63-301A(1)(f)

- When previous new construction roll included property but,
 - Board of Tax Appeals (BTA) or District Court ordered lower values
 - Double or erroneous assessments discovered
 - Land use changed to lower value category
 - Value lower due to site improvement exemption
 - ✓ could produce net negative new construction values

Annexation Example

2015 total non-exempt levy rate = 0.000561144

(does not include bonds etc.)

2016 annexation* value = \$ 1,025,750

(annexation occurred between 1/1/2015 and 12/31/2015)

Multiply the 2016 annexation value by the 2015 non-exempt levy rate:

\$ 1,025,750

X 0.000561144

\$ 576 additional budget allowance
(above 3% increase)

*** Stated annexation value includes taxable real, personal and operating property values provided district levies against all taxable property.**

L-2 Worksheet (must be attached to the L-2 form)

District Name: Sample L-2 Calculation

Enter Year:

2016

Computation of 3% budget increase:

Enter the amount from the "Highest Non-Exempt P-Tax Budget + P-Tax Replacement" column from the "Maximum Budget and Forgone Amount Worksheet".			(1)	517,559
Multiply line 1 by 3%.			(2)	15,527

New Construction & Annexation budget increases:

Enter the 2016 value of district's new construction roll from each applicable county below:

County Name		Value		
County A	(A)	15,490,342		
	(B)			
	(C)			
	(D)			
Total of New Construction Roll Value for the District:	(3)	15,490,342		
Enter the 2016 value of annexation from property assessed by the county.	(A)	1,025,750		
Enter the 2016 value of annexation from Operating Property .	(B)			
Total Annexation Value:	(4)	1,025,750		
Enter the total 2015 approved non-exempt levy rate.	(5)	0.000561144		
New Construction Roll budget increase (multiply line 3 by line 5).			(6)	8,692
Annexation budget increase (multiply line 4 by line 5).			(7)	576

Forgone Amount:

Enter the total available forgone amount here. (approved in resolution)			(8)	400
Enter the maximum forgone amount from the "Maximum Budget and Forgone" worksheet	(8A)	500		

Maximum Allowable Non-exempt Property Tax Budget:

Add lines 1+2+6+7+8.			(9)	542,754
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Property Tax Replacement:

Enter yearly amount of the agricultural equipment replacement money.	(10)	1,077		
Enter yearly amount of the personal property replacement money.	(11)	7,272		
Enter TOTAL recovered dollars as reported on the Recovered/Recaptured Property Tax Substitute Funds List.	(12)			
Enter the total of lines 10 thru 12: (Must match col. 5 budget total of L-2).			(13)	8,349

Maximum Allowable Non-exempt Property Tax to be Levied:

This is the maximum non-exempt property tax budget that can be levied. (Line 9 minus line 13)			(14)	534,405
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No Recovered/Recaptured property taxes to report.

Maximum Budget and Forgone Amount Worksheet

District Name	Highest of the last 3 years approved non-exempt Property Tax Budget			Highest non-exempt P-Tax Budget + P-Tax Replacements	3% Increase (Highest P-Tax \$ plus Total P-Tax Replacement x 3%)	Non-Exempt Approved Levy Rate Total	Forgone Amount
	2013	2014	2015				
County A	17,931,428	19,648,736	21,047,782			0.005277876	659,583
County A Road & Bridge	2,151,083	1,776,768	1,868,666			0.000482885	
Total County Budget Information:	20,082,511	21,425,504	22,916,448	23,250,269	697,508		
Cities:							
City A	33,431	32,459	24,335	33,458	1,004	0.002420658	2,980
City B	4,460,934	4,607,095	4,651,414	4,733,188	141,996	0.009967676	174,112
Schools:							
School districts only use the Tort, Migrant Worker Funds.							
School A	37,253	38,211	30,679	52,352	1,571	0.000070442	
Ambulance:							
County A Ambulance	1,577,404	1,587,319	1,595,000	1,618,087	48,543	0.000399957	83,911
Cemetery:							
Cemetery 1	17,178	13,813	14,353	18,130	544	0.000219374	1,215
Fire:							
Fire #1	28,910	29,975	30,044	30,044	901	0.000958940	1,232
Library:							
Sample District	487,707	501,297	509,210	517,559	15,527	0.000561144	500

Line 1 of L-2 Worksheet

Line 2 of L-2 Worksheet

Line 5 of L-2 Worksheet

Line 8A of L-2 Worksheet

Maximum Budget and Forgone Amount Worksheet

District Name									
	2013			2014			2015		
	Ag Equip \$	HE	Total	Ag Equip \$	PPS	Total	Ag Equip \$	PPS	Total
County A	61,235	3,096		61,235	267,568		61,235	267,568	
County A Road & Bridge	5,018			5,018			5,018		
Total County Budget Information:	66,253	3,096	69,349	66,253	267,568	333,821	66,253	267,568	333,821
Cities:			-						-
City A	27		27	27	202	229	27	202	229
City B	0		-	0	81,774	81,774	0	81,774	81,774
Schools:			-						-
School districts only use the Tort, Migrant Worker Funds.			-						-
School A	12,094		12,094	12,094	9,579	21,673	12,094	9,579	21,673
Ambulance:			-						-
County A Ambulance	2,820	143	2,963	2,820	20,267	23,087	2,820	20,267	23,087
Cemetery:			-						-
Cemetery 1	952		952	952	40	992	952	40	992
Fire:			-						-
Fire #1			-			-			-
Library:			-						-
Sample District	1,077	110	1,187	1,077	7,272	8,349	1,077	7,272	8,349

Web address: <http://www.tax.idaho.gov/search-formspublications.cfm?ch=bl&t=pt>

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 web page. Look for the "MaximumBudget and Forgone Amount Worksheet"

New Construction Roll Value - late July

Taxable value (locally assessed current year, prior year actual or estimated sub roll, and prior year operating property) 1st Monday in August

Annexation Values:

Real and personal (locally assessed) – 1st Monday August

Operating property (assessed by STC) – 1st Monday September

Funds Exempt From 3% Annual Increase Cap I.C. §63-802

Bond	Refer to authorizing statute for specific requirements, but all require 2/3 majority voter approval.
Temporary Override	All taxing districts have authority. 2 years maximum duration; requires simple majority to pass. <u><i>Can't exceed fund's levy limit.</i></u>
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. <u><i>Can't exceed fund's levy limit.</i></u>
I.C. §63-1305 Judgment	Assessed value appeals: relates to any Court or Board of Tax Appeals valuation decisions.
I.C. §63-1305A Judgment	Court ordered and needs simple majority election.
Plant Facilities	Available to school, library, and community colleges. See I.C. §33-804 for details.

School District Funds Exempt From 3% Annual Increase Cap I.C. §63-802

- Same as previous page plus:
 - Supplemental
 - Permanent
 - Temporary
 - Emergency
 - Judgment (I.C. §33-802)
 - Tuition
 - Coperartive Service Agency (COSA)
 - State Authorized Plant Facilities
 - Budget Stabilization

Break

Time for a 15 minute break



Property Tax Forms



List of Property Tax Related Forms

- Below is a list of the forms we will be reviewing.
 - 2016 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)
 - Maximum Budget and Forgone Amount Worksheet
 - Voter Approved Fund Tracker (as required)(Web address: <http://www.tax.idaho.gov/search-formspublications.cfm?ch=bl&t=pt>)

State Tax Commission's Web Page: tax.idaho.gov

The screenshot shows the website's navigation bar with the following items: IDAHO.GOV, SITEMAP, NEWSROOM, IDAHO State Tax Commission, HOME, TAX TYPES, ONLINE SERVICES, FORMS/PUBS, TAX PROS, GOVERNANCE, and CONTACT US. Below the navigation bar is a section titled "Our mission" with the text: "Our mission: To administer the state's tax laws in a fair, timely, and cost-effective manner to benefit all citizens." Below this is a "VERIFY IDENTITY" banner with a padlock icon and the text: "RECEIVED A LETTER TO TAKE A QUIZ OR ENTER A PIN?". Below the banner is a video player titled "Introducing Identity Verification" with a play button and the text "Identity Verification". To the right of the video player is a blue callout box with the text: "To find the Budget and Levy form etc. Click on the 'Forms/Pubs' button." Below the callout box are buttons for "SECURITY", "PAYMENT OPTIONS", and "TAP".

IDAHO State Tax Commission

- HOME
- TAX TYPES
- ONLINE SERVICES
- FORMS/PUBS
- TAX PROS
- GOVERNANCE
- CONTACT US

Our mission

Our mission:
To administer the state's tax laws in a fair, timely and efficient manner to benefit all Idaho citizens.

VERIFIED
RECEIVED A LETTER
IDENTITY
ENTER A PIN?

Introducing Identity Verification

Identity

- Most Requested
- Beer/Wine Taxes
- Cigarette/Tobacco Taxes
- Fuels / Motor Fuels Taxes
- Income Tax (current business)
- Income Tax (current individual)
- Policy Documents
- Prior year income tax returns
- Property Tax
- Reports & Statistics
- Sales & Use Taxes
- Withholding

WHERE'S MY REFUND?
[Refund Info page »](#)

SEARCH OUR SITE

Events and due dates:

25
Income tax due:
Mon., April 18

Select "Property Tax"

PAYMENT OPTIONS



TAXPAYER ACCESS POINT

[TAP Help \(FAQs\) »](#)

Go to information:

- on Taxpayer Rights

Latest News

- 03-23-2016
[Use tax payment required on Internet, other untaxed purchases](#)
- 03-18-2016
[Beat the rush—file your income](#)

Stay informed



Find PROPERTY TAX forms and publications by category

- [Appraisal](#) documents
- [Budget and levy](#) documents
- [GIS](#) documents
- [Homeowners](#) documents
- [Operating property](#) documents
- [Policy](#) documents
- [Property tax reduction or deferral](#) documents
- [Timber & forestland](#) documents

Select "Budget and Levy" documents

Visit more [property tax pages](#) for additional information. Many [reports and statistics](#) are also available.

Technical support documents for COUNTIES

AS/400 Program Documentation for:

- [Ag Land \[AG\]](#)
- [Deferred Forestland \[DF\]](#)
- [Forest Protection \[FP\]](#)
- [Resd/Comm Land \[LD\]](#)
- [Manufactured Homes \[MH\]](#)
- [Miscellaneous \[MS\]](#)
- [Parcel Master \[PM\]](#)
- [Personal Property \[PP\]](#)
- [ProVal \[PV\]](#)
- [Residential \[RC\]](#)
- [Sales \[SL\]](#)
- [Tax \[TX\]](#)

Your requested list of forms and other publications

Group: **BUDGET AND LEVY**



Agricultural Replacement, and Personal Property reimbursement amounts are posted here.

[« Select again »](#)

(Date in parentheses is date the document was published or last revised.)
F indicates a fill-in (and print, but not save) form. [Learn more about our fill-in forms.](#)

[View Budget & Levy Reports »](#)

Events and due dates:



Income tax due:
Mon., April 18

Forms and form instructions

- [Budget Hearing Notice Noncompliance L-2](#)
- [L-2 County Only](#) (03-29-2016)
- [L-2 County w/Road and Bridge](#) (03-29-2016)
- [L-2 General](#) (03-29-2016)
- [L-2 General](#) (03-29-2016)
- [L-2 Highway District](#) (03-29-2016)
- [L-2 Highway District](#) (03-29-2016)
- [L-2 Hospital](#) (03-29-2016)
- [L-2 Hospital](#) (03-29-2016)
- [L-2 School](#) (03-29-2016)
- [L-2 School](#) (03-29-2016)
- [Maximum Budget & Forgone Amount Worksheet](#) (03-15-2016)

Here are all of the L-2s PDF- Print and fill in by hand.
Excel – Save on your computer and fill.
Other - Maximum Budget and Forgone Amount worksheets, and the Maximum Levy Rate list.



TAXPAYER ACCESS POINT

[TAP Help \(FAQs\) »](#)

Stay informed

2016 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 or Taxing Unit's Name:

Fund	Total Approved Budget*	Cash Forward Balance	Other revenue <i>NOT</i> shown in Column 5	Property Tax Replacement From Line 13 of L-2 Worksheet	Balance to be levied Col. 2 minus (Cols. 3+4+5)
1	2	3	4	5	6
Column Total:	-	-	-	-	-

**New this year (HB474)
Districts MUST use this year's form.**

If the budget includes any forgone amount, complete this section:

I, the undersigned, attest that this district held a public hearing and approved the attached resolution that indicates that \$_____ of available forgone increase is to be levied and the specific purpose for which this amount is being budgeted. This amount can not exceed the lesser of amount shown in the resolution or line 8A of the L-2 worksheet.

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.

Signature of District Representative _____ **Title:** _____ **Date:** _____

Please print above: Contact Name and Mailing Address _____ **Email Address:** _____

Phone Number: () _____ **Fax Number:** () _____

Please fill in contact information completely.

2016 Dollar Certification of Budget Request to Board of County Commissioners L-2

Highway District Only (the L-2 worksheet and applicable "Voter Approved Fund Tracker" and budget publication must be attached)

District or Taxing Unit's Name:

Fund	Total Approved Budget*	Cash Forward Balance	Other revenue <u>NOT</u> shown in Column 5	Property Tax Replacement From Line 13 of L-2 Worksheet	Balance to be levied Col. 2 minus (Cols. 3+4+ 5)
1	2	3	4	5	6
I.C. §40-801(1)(a)					
A proportionate share of the property tax portion of this fund is shared with each city within your district.					
I.C. §40-801(1)(b)					
This fund is not shared with the cities within your district.					
Tort					
This fund is not shared with the cities within your district.					
Column Total:	-	-	-	-	-

**New this year (HB474)
Districts MUST use this year's form.**

If the budget includes any forgone amount, complete this section:

I, the undersigned, attest that this district held a public hearing and approved the attached resolution that indicates that \$_____ of available forgone increase is to be levied and the specific purpose for which this amount is being budgeted. This amount can not exceed the lesser of amount shown in the resolution or line 8A of the L-2 worksheet.

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.

Signature of District Representative	Title:	Date:
---	---------------	--------------

Please print above: Contact Name and Mailing Address	Email Address:	
Phone Number: ()		Fax Number: ()

2016 Dollar Certification of Budget Request to Board of County Commissioners L-2

Hospital Only (the L-2 worksheet and applicable "Voter Approved Fund Tracker" and budget publication must be attached)

District or Taxing Unit's Name:

Fund	Total Approved Budget*	Cash Forward Balance	Other revenue <i>NOT</i> shown in Column 5	Property Tax Replacement From Line 13 of L-2 Worksheet	Balance to be levied Col. 2 minus (Cols. 3+4+ 5)
1	2	3	4	5	6
Column Total:	-	-	-	-	-

**New this year (HB474)
Districts MUST use this year's form.**

If the budget includes any forgone amount, complete this section:
 I, the undersigned, attest that this district held a public hearing and approved the attached resolution that indicates that \$_____ of available forgone increase is to be levied and the specific purpose for which this amount is being budgeted. This amount can not exceed the lesser of amount shown in the resolution or line 8A of the L-2 worksheet.

**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.**

Signature of District Representative	Title:	Date:	If a public hearing was held please initial here:
--------------------------------------	--------	-------	---

Please print above: Contact Name and Mailing Address	Email Address:	
--	----------------	--

Phone Number: ()	Fax Number: ()
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L-2 Worksheet (must be attached to the L-2 form)

District Name:

Enter Year:

Computation of 3% budget increase:

Enter the amount from the "Highest Non-Exempt P-Tax Budget + P-Tax Replacement" column from the "Maximum Budget and Forgone Amount Worksheet".

(1)

Multiply line 1 by 3%.

(2)

-

New Construction & Annexation budget increases:

Enter the 2016 value of district's new construction roll from each applicable county below:

County Name

Value

(A)

(B)

(C)

(D)

Total of New Construction Roll Value for the District:

(3)

-

Enter the 2016 value of annexation from property assessed by the county.

(A)

Enter the 2016 value of annexation from **Operating Property**.

(B)

Total Annexation Value:

(4)

-

Enter the total 2015 approved non-exempt levy rate.

(5)

New Construction Roll budget increase (multiply line 3 by line 5).

(6)

-

Annexation budget increase (multiply line 4 by line 5).

(7)

-

Forgone Amount:

Enter the forgone increase included in your budget. This amount can't exceed what is reported on the attached resolution.

(8)

Enter the maximum forgone amount from the "Maximum Budget and Forgone" worksheet

(8A)

Maximum Allowable Non-exempt Property Tax Budget:

Add lines 1+2+6+7+8.

(9)

-

Property Tax Replacement:

Enter yearly amount of the agricultural equipment replacement money.

(10)

Enter yearly amount of the personal property replacement money.

(11)

Enter TOTAL recovered dollars as reported on the Recovered/Recaptured Property Tax Substitute Funds List.

(12)

Enter the total of lines 10 thru 12: (Must match col. 5 budget total of L-2).

(13)

-

Maximum Allowable Non-exempt Property Tax to be Levied:

This is the maximum non-exempt property tax budget that can be levied. (Line 9 minus line 13)

(14)

-

May include negative values.

**HB474
Add'l
forgone
information
required.**

**2016 School District 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)**

School District Name:

Fund	Total Approved Budget*	Cash Forward Balance	Other revenue <i>NOT</i> shown in Column 5	Property Tax Replacement From Line 12 of L-2 Worksheet	Balance to be levied Col. 2 minus (Cols. 3+4+ 5)
1	2	3	4	5	6
School District L-2 – Schools do not have forgone amount					
Column Total:	-	-	-	-	-

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.

Signature of District Representative _____ **Title:** _____ **Date:** _____

Please print above: Contact Name and Mailing Address _____ **Email Address:** _____

Phone Number: () _____ **Fax Number:** () _____

School District L-2 Worksheet (attach to the L-2 form)

District Name: _____ **Enter Year:** _____

Computation of 3% budget increase:

Enter the amount from the "Highest Non-Exempt P-Tax Budget + P-Tax Replacement" column from the "Maximum Budget and Forgone Amount Worksheet".			(1)	
Multiply line 1 by 3%.			(2)	-

New Construction & Annexation budget increases:

Enter the 2016 value of district's new construction roll from each applicable county below:				
County Name		Value		
	(A)			
	(B)			
	(C)			
	(D)			
Total of New Construction Roll Value for the District:	(3)	-		
Enter the 2016 value of annexation from property assessed by the county.	(A)			
Enter the 2016 value of annexation from Operating Property .	(B)			
Total Annexation Value:	(4)	-		
Enter the total 2015 Hypothetical levy rate.	(5)			
New Construction Roll budget increase (multiply line 3 by line 5).			(6)	-
Annexation budget increase (multiply line 4 by line 5).			(7)	-

Maximum Allowable Non-exempt Tort Fund Property Tax Budget:

Add lines 1+2+6+7.			(8)	-
---------------------------	--	--	-----	---

Property Tax Replacement:

Enter yearly amount of the agricultural equipment replacement money.	(9)			
Enter yearly amount of the personal property replacement money.	(10)			
Enter TOTAL recovered dollars as reported on the Recovered/Recaptured Property Tax Substitute Funds List.	(11)			
Enter the total of lines 9 thru 11: (Must match col. 5 budget total of L-2).			(12)	-

Tort Fund Less Property Tax Replacement:

If the total property tax replacement, reported on line 12, is less than or equal to the amount on line 8 enter the difference here. This represents the maximum allowable property tax portion of your tort fund.			(13)	-
If the total property tax replacement, reported on line 12, exceeds the amount shown on line 8 enter the difference here. This is the amount of property tax replacement that must be subtracted from any other available funds levying property taxes.	(14)	-		

The total of Column 5 of the L-2 form must equal the amount shown on line 12.

School's P-tax replacement dollars are to be subtracted from Tort fund first and remaining may be deducted from any other fund.

Rule 803

- L-2 submitted to each county MUST be signed.
- Unless otherwise provided for in Idaho Code budget requests for the property tax funded portions of the budget shall not exceed the amount published in the notice of budget hearing if a budget hearing notice is required in Idaho Code for the district.
- The levy approved by the STC shall not exceed the levy computed using the amount shown in the notice of budget hearing.
- Subtract all replacement monies on the L-2 worksheet, except for charter school district with M&O levy (Boise).

Maximum Budget and Forgone Amount Worksheet (on STC web page)

<http://www.tax.idaho.gov/search-formspublications.cfm?ch=bl&t=pt>

District Name	Highest of the last 3 years approved non-exempt Property Tax Budget			Highest non-exempt P-Tax Budget + P-Tax Replacements	3% Increase (Highest P-Tax \$ plus Total P-Tax Replacement x 3%)	Non-Exempt Approved Levy Rate Total	Forgone Amount
	2013	2014	2015				
Camas County	735,039	752,003	776,047			0.006065034	-
County Road & Bridge							
Total County Budget Information:	735,039	752,003	776,047	818,708	24,561		
City:							
Fairfield	Demonstration Purposes ONLY			794	4,434	0.007733855	-
Schools:						HYPO	
School districts only use the Tort, Migrant Worker Funds.						Levy Rate	
Camas #121	11,269	5,138	5,563	14,463	434	0.000113033	
Cemetery:							
Camas County Cemetery	3,835	3,926	4,054	4,373	131	0.000031683	-
Fire:							
West Magic Fire	14,890	15,291	15,751	15,796	474	0.001155957	197
Library							
Camas County Library	81,384	78,529	77,700	82,999	2,490	0.000607249	9,304
Mosquito Abatement:							
Camas County Mosquito Abate.	9,500	2,373	10,211	10,400	312	0.000472826	209

This figure goes on Line 1 of the L-2 worksheet.

This figure goes on Line 2 of the L-2 worksheet.

This figure goes on Line 5 of the L-2 worksheet.

This figure goes on Line 8A of the L-2 worksheet.

Voter Approved Fund Tracker
Attach to L-2 Form If Applicable

District Name:

Fund	Date of Election (If current year attach copy of Ballot)	Term of Initiative	Annual Amount Authorized by Voters	1st Calendar Year Levied
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Override Funds Available to All Districts

2 Yr Override I.C. §63-802				
Permanent Override I.C. §63-802				

School District Funds

Supplemental Funds

Temporary School Supplemental I.C. §33-802(3)				
Permanent School Supplemental I.C. §33-802(5)				
Plant Facilities Transfer to Supplemental I.C. §33-804				

(Total Plant Facilities and Transfer to Supplemental can not exceed the annual Plant Facilities approved by voters.)

Cosa Funds

COSA Funds (50% Voter Approval 10 yr)				
COSA Maintenance (2/3 Voter Approval 10 yr)				
COSA Plant Facilities (3 yrs)				

Plant Facilities Funds

Plant Facilities (10 yrs)				
If voters approved an increase in the annual amount but did not change the term enter the amount of increase here.				
Safe School Plant Facilities (20 yrs)				
If voters approved an increase in the annual amount but did not change the term enter the amount of increase here.				

If the current year's request is < or > 20% of prior year's amount a "Yes" will pop up in the "Explanation Required" column.

District Bond Fund(s) (refer to district code for specifics)

	Bond Election Date	Bond Expiration Date	Prior Year P-Tax \$	Current Year P-Tax \$	% Change (+/- 20% Explanation Required)	"Yes" = Explanation Required
Bond (1)						
Bond (2)						
Bond (3)						
Bond (4)						

Let's Fill in an L-2 Together



Here is the Information You Will Need

- District name is County A Library.
- Provided by County A
 - 2016 Net Taxable Market Value for your Library district is \$ 849,852,632
 - 2016 New Construction Roll value is \$ 15,490,000.
- See next page for remaining information.

County A Library Budget

- FY 2017 Budget \$619,000 – includes \$200 of \$ 500 forgone amount.
 - M&O total budget is \$610,000
 - \$60,000 drawn from bank account
 - \$20,000 other revenue
 - \$8,349 total replacement (\$1,077 Ag and \$7,272 PP)
 - Tort total budget is \$9,000

Maximum Budget and Forgone Amount Worksheet

District Name	Highest of the last 3 years approved non-exempt Property Tax Budget			Highest non-exempt P-Tax Budget + P-Tax Replacements	3% Increase (Highest P-Tax \$ plus Total P-Tax Replacement x 3%)	Non-Exempt Approved Levy Rate Total	Forgone Amount
	2013	2014	2015				
County A	4,415,295	4,596,914	4,651,187			0.005640711	46,072
County A Road & Bridge							
Total County Budget Information:	4,415,295	4,596,914	4,651,187	4,776,839	143,305		
Cities:							
City A	533,016	549,388	550,457	567,046	17,011	0.004599619	-
City B	51,411	53,112	54,175	54,933	1,648	0.001812095	-
Schools:						HYPO	
School districts only use the Tort Fund.						Ag & PP	
School 123	83,761	86,275	49,820	128,201	3,846	0.000111265	
Ambulance							
County A Ambulance		330,185	264,482	335,703	10,071	0.000320750	12,625
Fire:							
Fire District ABC	119,280	119,280	123,448	124,887	3,747	0.001150882	19,877
Fire District XYZ	144,289	150,113	152,954	154,247	4,627	0.001614589	1,681
Library:							
County A Library	487,707	501,297	509,210	517,559	15,527	0.000369040	500

“Highest non-exempt P-Tax budget + P-Tax Replacements” column includes all property tax replacement monies.

Agricultural equipment replacement is \$ 1,077 and Personal Property Reimbursement is \$ 7,272 and there are no other replacement money.

COUNTY A LIBRARY

RESOLUTION 1-16

WHEREAS, County A Library intends to include \$200 of its \$500 in forgone amount in its FY 2017 budget, and,

WHEREAS, County A Library requires this extra revenue to replace deteriorated shelving, and

WHEREAS, the district has met the notice and hearing requirements in Section 63-802, Idaho Code,

NOW THEREFORE BE IT RESOLVED, by the majority vote taken by the Board of County A Library Commissioner on August 5, 2016, that the above stated amount be included in the property tax to be levied in 2016.

DATED this 5th day of August 2016.

**SAMPLE verbiage of resolution using forgone amount.
A separate document is required.**

County A Library Commissioner
Chairman

ATTEST:

County A Library Secretary

L-2 Worksheet (must be attached to the L-2 form)

District Name: County A Library District **Enter Year:** 2016

Computation of 3% budget increase:

Enter the amount from the "Highest Non-Exempt P-Tax Budget + P-Tax Replacement" column from the "Maximum Budget and Forgone Amount Worksheet".		(1)	517,559
Multiply line 1 by 3%.		(2)	15,527

New Construction & Annexation budget increases:

Enter the 2016 value of district's new construction roll from each applicable county below:

County Name		Value
County A	(A)	15,490,000
	(B)	
	(C)	
	(D)	
Total of New Construction Roll Value for the District:	(3)	15,490,000
Enter the 2016 value of annexation from property assessed by the county.	(A)	
Enter the 2016 value of annexation from Operating Property .	(B)	
Total of Annexation Value for the District:	(4)	-
Enter the total 2015 approved non-exempt levy rate.	(5)	0.000369040
New Construction Roll budget authority increase (multiply line 3 by line 5).		(6) 5,716
Annexation budget authority increase (multiply line 4 by line 5).		(7) -

This amount needs to be reported on the L-2 as well.

Forgone Amount:

Enter the forgone increase included in your budget. This amount can't exceed what is reported on the attached resolution.		(8) 200
Enter the maximum forgone amount from the "Maximum Budget and Forgone" worksheet	(8A)	500

Maximum Allowable Non-exempt Property Tax Budget: (Select one)

Total of lines 1, 2, 6, 7, and 8:		(9) 539,002
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Property Tax Replacement:

Enter yearly amount of the agricultural equipment replacement money.	(10)	1,077
Enter yearly amount of the personal property replacement money.	(11)	7,272
Enter TOTAL recovered dollars as reported on the Recovered/Recaptured Property Tax Substitute Funds List.	(12)	
Enter the total of lines 10 thru 12: (Must match col. 5 budget total of L-2).		(13) 8,349

Maximum Allowable Non-exempt Property Tax to be Levied:

This is the maximum non-exempt property tax budget that can be levied. (Line 9 minus line 13)		(14) 530,653
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2016 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 or Taxing Unit's Name: County A Library District

Fund	Total Approved Budget*	Cash Forward Balance	Other revenue <i>NOT</i> shown in Column 5	Property Tax Replacement From Line 13 of L-2 Worksheet	Balance to be Levied Col. 2 minus Cols. 3+4+5)
1	2	3	4	5	6
M&O	610,000	60,000	20,000	8,349	521,651
Tort	9,000				9,000
					-
					-
					-
					-
Column Total:	619,000	60,000	20,000	8,349	530,651

If the budget includes any forgone amount, complete this section:

I, the undersigned, attest that this district held a public hearing and approved the attached resolution that indicates that \$ 200 of available forgone increase is to be levied and the specific purpose for which this amount is being budgeted.

This amount can not exceed the lesser of amount shown in the resolution or line 8A of the L-2 worksheet.

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.

This amount must match line 8 of the L-2 worksheet.

Signature of District Representative

Title:

Date:

Please print above: Contact Name and Mailing Address

Email Address:

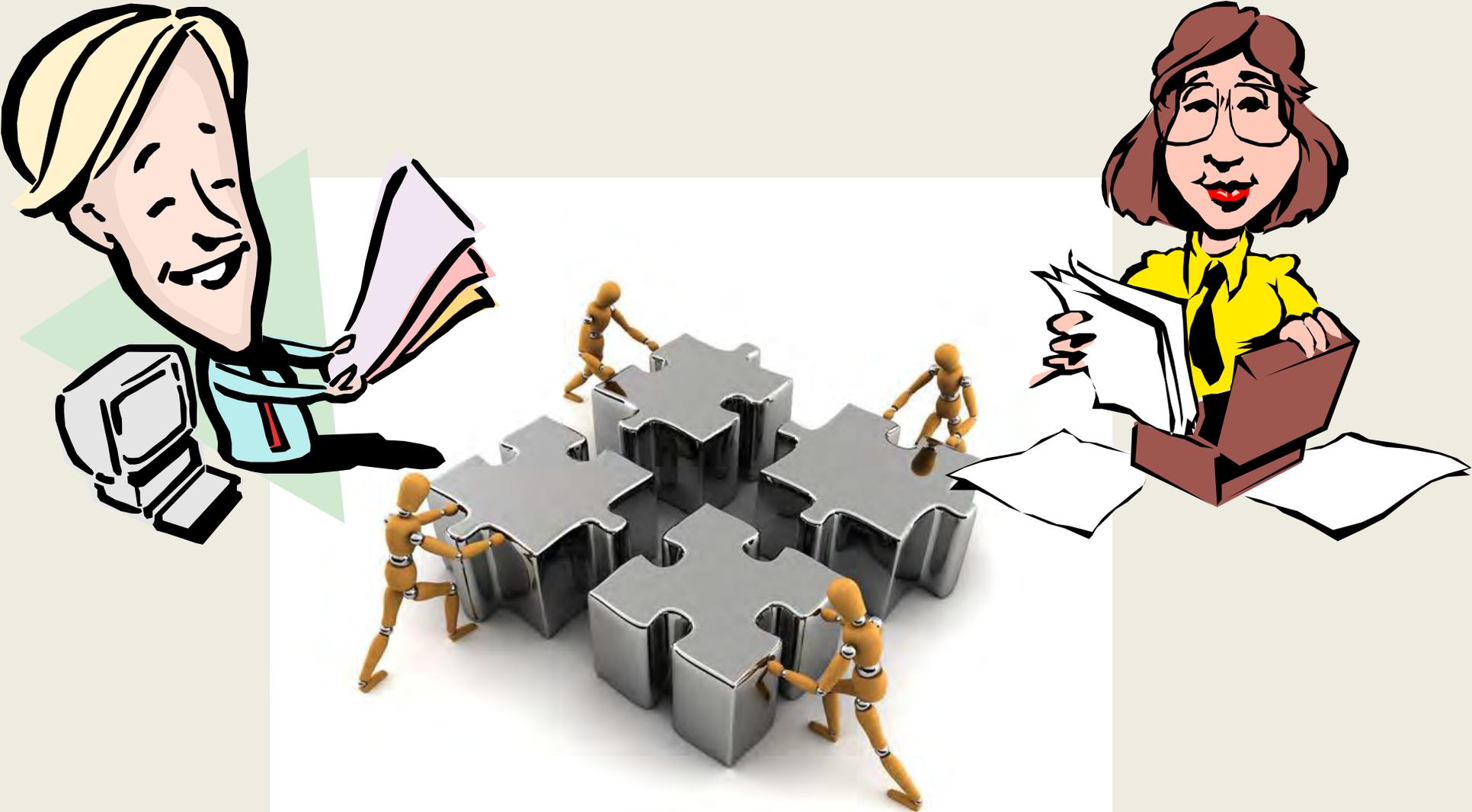
Phone Number: ()

Fax Number:

What to Send with L-2s

- The signed 2016 L-2 form with all pertinent information.
- The 2016 L-2 worksheet.
- Voter approved fund tracker if applicable
 - If new voter approved fund (first time levied), copy of the ballot and canvass of the vote required.
- Newly formed recreation district - copy of formation petition showing voter approved levy limit.
- **New 2016 HB 474** If budget includes any forgone amount a copy of resolution is required by I.C. §63-802 (1)(e).
- Plus any other information requested by the county. (i.e. copy of published budget notice)

Time For You To Fill Out an L-2



Here is the Information You Will Need

- District name is Fire District #1.
- Provided by County A
 - 2016 Net Taxable Market Value for your Fire District #1 is \$ 898,687,936.
 - 2016 New Construction Roll value is \$ 3,000,000.
- See next page for remaining information.

Fire District #1 Budget

- FY 2017 Budget \$210,000 – this budget includes \$10,000 of \$ 19,290 forgone amount.
 - M&O total budget is \$210,000
 - \$30,000 drawn from bank account
 - \$30,000 other revenue
 - 1,939 total replacement
(\$500 Ag and \$1,439 PP)

FIRE DISTRICT #1

RESOLUTION 1-16

WHEREAS, Fire District #1 intends to include \$10,000 of its \$19,290 in forgone amount in its FY 2017 budget, and,

WHEREAS, Fire District #1 requires this extra revenue to repair and replace some of its equipment, and

WHEREAS, the district has met the notice and hearing requirements in Section 63-802, Idaho Code,

NOW THEREFORE BE IT RESOLVED, by the majority vote taken by the Board of Fire Protection Commissioner on August 5, 2016, that the above stated amount be included in the property tax to be levied in 2016.

DATED this 5th day of August 2016.

**SAMPLE verbiage of resolution using forgone amount.
A separate document is required.**

Fire District #1 Commissioner
Chairman

ATTEST:

Fire District #1 Secretary

Maximum Budget Worksheet

District Name	Highest of the last 3 years approved non-exempt Property Tax Budget			Highest non-exempt P-Tax Budget + P-Tax Replacements	3% Increase (Highest P-Tax \$ plus Total P-Tax Replacement x 3%)	Non-Exempt Approved Levy Rate Total	Forgone Amount
	2013	2014	2015				
County A	4,596,914	4,651,187	4,794,057			0.005641045	100,082
County Road & Bridge							
Total County Budget Information:	4,596,914	4,651,187	4,794,057	4,919,709	147,591		
Cities:							
City A	549,388	550,457	568,309	584,898	17,547	0.004705817	-
City B	53,112	54,175	56,163	56,921	1,708	0.001798744	-
Schools:						HYPO	
School districts only use the Tort Fund.						Levy Rate	
School 123	86,275	49,820	37,668	91,746	2,752	0.000093656	
Ambulance							
County Ambulance	330,185	264,482	259,291	330,185	9,906	0.000305101	25,577
Fire:							
Fire District #1	119,280	123,448	131,050	132,989	3,990	0.001187221	19,290
Fire District #2	150,113	152,954	157,969	159,512	4,785	0.001606309	4,516
Library:							
County Library	297,812	304,301	317,164	324,803	9,744	0.000373199	-

L-2 Worksheet (must be attached to the L-2 form)

District Name: Fire District #1	Enter Year:	2016
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Computation of 3% budget increase:

Enter the amount from the "Highest Non-Exempt P-Tax Budget + P-Tax Replacement" column from the "Maximum Budget and Forgone Amount Worksheet".			(1)	132,989
Multiply line 1 by 3%.			(2)	3,990

New Construction & Annexation budget increases:

Enter the 2016 value of district's new construction roll from each applicable county below:

County Name		Value		
County A	(A)	3,000,000		
	(B)			
	(C)			
	(D)			
Total of New Construction Roll Value for the District:	(3)	3,000,000		
Enter the 2016 value of annexation from property assessed by the county.	(A)			
Enter the 2016 value of annexation from Operating Property .	(B)			
Total of Annexation Value for the District:	(4)	-		
Enter the total 2015 approved non-exempt levy rate.	(5)	0.001187221		
New Construction Roll budget authority increase (multiply line 3 by line 5).			(6)	3,562
Annexation budget authority increase (multiply line 4 by line 5).			(7)	-

Forgone Amount:

Enter the forgone increase included in your budget. This amount can't exceed what is reported on the attached resolution.			(8)	10,000
Enter the maximum forgone amount from the "Maximum Budget and Forgone" worksheet	(8A)	19,290		

Maximum Allowable Non-exempt Property Tax Budget: (Select one)

Total of lines 1, 2, 6, 7, and 8:			(9)	150,541
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Property Tax Replacement:

Enter yearly amount of the agricultural equipment replacement money.		500		
Enter yearly amount of the personal property replacement money.	(11)	1,439		
Enter TOTAL recovered dollars as reported on the Recovered/Recaptured Property Tax Substitute Funds List.	(12)			
Enter the total of lines 10 thru 12: (Must match col. 5 budget total of L-2).			(13)	1,939

Maximum Allowable Non-exempt Property Tax to be Levied:

This is the maximum non-exempt property tax budget that can be levied. (Line 9 minus line 13)			(14)	148,602
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2016 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 or Taxing Unit's Name: Fire District #1

Fund	Total Approved Budget*	Cash Forward Balance	Other revenue <i>NOT</i> shown in Column 5	Property Tax Replacement From Line 13 of L-2 Worksheet	Balance to be Levied Col. 2 minus Cols. 3+4+5)
1	2	3	4	5	6
M&O	210,000	30,000	30,000	1,439	148,561
					-
					-
					-
					-
					-
Column Total:	210,000	30,000	30,000	1,439	148,561

If the budget includes any forgone amount, complete this section:

I, the undersigned, attest that this district held a public hearing and approved the attached resolution that indicates that \$ 10,000 of available forgone increase is to be levied and the specific purpose for which this amount is being budgeted.

This amount can not exceed the lesser of amount shown in the resolution or line 8A of the L-2 worksheet.

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.

Signature of District Representative Title: Date:

Please print above: Contact Name and Mailing Address Email Address:

Phone Number: () Fax Number:

APPENDIX

Effects of boundary changes on bonds	i
2016 Taxing District Calendar	ii
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Effect of Boundary Changes on Existing Bonds

Territory Withdrawn From District

Fire District: (I.C. §31-1437)	<u>Shall</u> continue to be subject to taxation for the payment of the principal of and interest on any indebtedness.
Cities: (I.C. §50-225)	Such alteration <u>shall not</u> relieve any territory excluded from the limits of a city from its liability on account of any outstanding bonded or other indebtedness of such city.

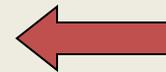
Consolidation of District

Library: (I.C. §33-2710(4))	Existing bonded debt of any district or districts shall <u>not</u> become the obligation of the consolidated library district. The debt shall remain an obligation of the property which incurred the indebtedness.
Hospital: (I.C. §39-1356)	Existing bonded debt of any district or districts shall <u>not</u> become the obligation of the consolidated hospital district.

2016 Taxing District Calendar

3/30/2016

Date	Idaho Code or Rule	Description
03/28/16	63-1312(1)	Prior to the 4th Monday of March of the current year the county auditor must notify each district, other than school, of the total taxable value within such district.
04/30/16	63-802A	No later than April 30th each taxing district will have set and notified the county clerk(s) of the date and location set for the budget hearing of the district. If district boundaries are in multiple counties must notify each county clerk.
07/18/16	27-120, 40-802, and 39-1332	On or before the third Monday in July the county auditor shall deliver to each Highway, Hospital, and Cemetery district a statement showing the aggregate market value for assessment purposes of all taxable property in the district. Highway District only: in addition separately show the aggregate market value for assessment purposes of all taxable property within each city in each district.
07/25/16	Rule 802.08	On or before the fourth Monday in July each county auditor must report the taxable value of new construction and annexation for each taxing district.
08/01/16	63-1312(2)	Prior to the 1st Monday of August the county auditor of each county shall notify the STC and each taxing unit of the taxable valuation of all taxable property within that district from the current year property roll, previous year operating property roll, and the current year's estimated subsequent and missed property rolls.
08/01/16	Rule 803.06.b	No later than the 1st Monday of August of each year, each county clerk shall notify each taxing district or unit of the total amount of property tax replacement monies and further identify the type of replacement money.
9/03/16	Rule 805.04	STC will provide a list of taxing districts that are noncompliant with LSO's registry to County Clerk(s).
09/08/16	63-803(3)	Taxing districts certify their property tax budgets (in whole dollars) to the each County not later than the Thursday prior to the 2nd Monday unless an extension of not more than 7 working days may be granted by the County Commissioners. (9/12 for school emergency fund)
09/19/16	63-803(3)	Budgets for taxing districts granted an extension are due.
10/24/16	63-809(1)	Deadline for STC to approval of budget and levies.
12/01/16	67-450E(2)	Every year on or before December 1st local governing entities must update registration information on LSO's registry. The STC and the county clerk of each county shall provide a list of all taxing districts within the state and county.
Prior to 2/15/2017	63-810(1)(B)	Last day of discovery of an erroneous levy due to clerical, mathematical, or electronic error. If discovered the levy can be corrected; after this date no correction to levy allowed.



MAXIMUM STATUTORY LEVY RATES

This sheet is intended as an aid to help find maximum statutory limits of funds for all taxing districts. Where there is no specific decimal amount, refer to code section to insure correct application of law. (Revised: 12/7/2010).

TAXING AUTHORITY	IDAHO CODE	MAX RATE
COUNTY		
Airport	21-404	.0004
For building and/or maintenance.		
Ambulance Service	31-3901	.0002
Appraisal Program	63-314	.0004
Armory Construction	46-722	.0002
Must jointly levy w/city. Total levy cannot exceed max levy.		
Bond Redemption	63-805, 31-1903	See Code
Building Construction	31-1008	.0006
Requires that a special election be held to create this fund and must pass with a 2/3 majority.		
Charities & Indigent.....	31-863	.001
Current Expense	63-805	.0026
Or a levy sufficient to raise \$250,000 whichever is greater.		
If there exists a Justice Fund, the maximum levy rate becomes .002 or a levy sufficient to raise \$250,000 whichever is greater.		
Justice	63-805	.002
Or a levy sufficient to raise \$250,000 whichever is greater.		
District Court.....	31-867	.0004

Complete set is currently available on the STC's web page.

Web address:
http://www.tax.idaho.gov/pubs/EPB00092_01_03_2014.pdf

Fee Increase

Per Idaho Code §63-1311A

- ✓ **Increase in excess of 5% of:**
 - a. The last fee collected, (individual not cumulative total) or**
 - b. A decision to impose a new fee.**

- ✓ **Requires notifying the public by:**
 - a. Newspaper as defined by Idaho Code §60-106, or**
 - b. 3 public meetings held in 3 different locations within the district's boundary, or**
 - c. Single mailing notice to all district's residents.**

Terminology

- **Net taxable market value** = total value of property within the boundaries of a taxing district, less exemptions and applicable urban renewal increment value.
- **Budget** = for the purposes of this presentation, unless otherwise indicated, budget refers to the property tax (P-Tax) portion of your budget.
 - **Non-exempt funds (subject to 3% cap)**: Refers to those funds not specifically exempted from the provisions of I.C. § 63-802.
 - **Exempt funds (not subject to 3% cap)**: Bonds, Overrides/Supplemental (temporary and permanent), I.C. § 63-1305 Judgments, and Library or Community College Plant Facilities.
- **Levy Rate** = refers to a rate that is determined by dividing the district's individual fund(s) p-tax budget by the district's net taxable market value.
 - Sometimes includes urban renewal increment - e.g., new voter approved levies.
- See other terms found in the appendix.

$\$100,000 \text{ p-tax} / \$250,000,000 \text{ taxable value} = 0.0004 \text{ levy rate} = 0.04\%$

$\$50,000 \text{ taxable value property} \times 0.0004 \text{ levy rate} = \20 tax

Definition of Terms

Non-exempt funds (subject to 3% cap): Refers to those funds not specifically exempted from the provisions of I.C. § 63-802.

Exempt funds (not subject to 3% cap): Bonds, Overrides (temporary and permanent), I.C. § 63-1305 Judgments, and Library or Community College Plant Facilities.

Approved non-exempt property tax budget: Non-exempt property tax dollars as approved by the STC including agricultural equipment & other P-Tax replacement/recovery monies.

Non-exempt property tax to be levied: Certified property tax budget minus agricultural equipment & other P-Tax replacement monies. (recovered H/E, recaptured QIE, recovered PP exemption, County P-Tax relief)

Property Tax Replacement: Is the sum of the agricultural equipment replacement, personal property reimbursement revenue received, recovered homeowner's exemption, recovered PP exemption, recaptured QIE, County Property Tax Relief fund monies.

At Maximum Levy Rate?

- All districts have the availability to levy for comprehensive liability plan; it is called a Tort fund and it has no levy limit.
 - It is part of your 3% property tax budget limit.
- Some districts have other property tax funds available (for example cities).

Why Show Separate Funds?

District Information	
Net taxable market value	\$ 125,000,000
Maximum allowable property tax budget	\$ 55,000
M&O Levy limit	0.0004

District Submitted its L-2	
M&O property tax budget	\$ 55,000
Computed levy rate ($\$55,000/\$125,000,000$)	0.00044
Results of review of L-2	
Computed levy rate exceeds maximum levy limit so property tax budget reduced.	\$ 50,000
The amount of reduction may qualify for forgone amount and be available next year.	\$ 5,000

**This district will not receive the \$55,000 it budgeted for.
How could this have been prevented? (see next slide)**

Why Show Separate Funds?

District Information	
Net taxable market value	\$ 125,000,000
Maximum allowable property tax budget	\$ 55,000
M&O Levy limit	0.0004
District Submitted its L-2	
M&O fund property tax budget	\$ 50,000
Computed levy rate (\$50,000/\$125,000,000)	0.0004
Tort fund property tax budget (has no levy limit)	\$ 5,000
Computed levy rate (\$5,000/\$125,000,000)	0.00004
Total computed levy rate of	0.00044
Total approved property tax budget	\$ 55,000

In this example the district is able to receive the entire \$55,000 by putting some of its budget authority into another fund that can levy property taxes.

However district must have legitimate need for the tort fund.

Amount of Forgone Increase



Idaho Code §63-802(1)(e)

Forgone Amount Calculation Scenario 1

2016 total approved non-exempt property tax budget (sum of non-exempt funds column 6 and total column 5 of L-2 form):	\$ 505,000
Maximum allowable 2016 non-exempt property tax budget (line 9 of the L-2 worksheet):	\$ 508,573
Highest approved (2013, 2014, 2015) non-exempt property tax budget for the last 3 years (line 1 of the L-2 worksheet):	\$ 451,880

Computation	
\$ 508,573	Maximum non-exempt p-tax budget
<\$505,000>	Approved 2016 non-exempt budget
\$ 3,573	Forgone amount available in 2016.

In this example the total 2016 approved non-exempt property tax budget, including all property tax replacement monies (\$505,000), is *greater* than the highest property tax budget of the immediate prior 3 years (\$451,880). In this example you would simply subtract the maximum allowable non-exempt p-tax budget from the total approved non-exempt p-tax budget, including all property tax replacement monies.

Forgone Amount Calculation Scenario 2

2016 total approved non-exempt property tax budget (sum of non-exempt funds from column 5 and 6 of L-2 form):	\$ 400,000
Maximum allowable 2016 non-exempt property tax budget (line 9 of the L-2 worksheet):	\$ 508,573
Highest approved (2013, 2014, 2015) non-exempt property tax budget for the last 3 years (line 1 of the L-2 worksheet):	\$ 451,880

Computation	
\$ 508,573	Maximum non-exempt p-tax budget.
<\$451,880>	Highest of the Last 3 Years Budget.
\$ 56,693	forgone amount available in 2015.

In this example the total 2016 approved non-exempt property tax budget, including all property tax replacement monies (\$400,000), is less than the highest property tax budget of the immediate prior 3 years (\$451,880). In this example you would subtract the maximum allowable non-exempt p-tax budget from the highest property tax budget of the immediate prior 3 years from line 1 of the L-2 worksheet.

The 3 Year Budget Trap!

In the example below what is the highest budget of the last 3 years (including p-tax replacements) and what year did it occur?

Answer is? \$ 629,405 in 2013

2013	2014	2015
\$ 629,405	\$ 547,139	\$ 581,165

Assuming this district levies \$ 545,000 in 2016, what will be the highest budget of the last 3 years and what year did it occur?

Answer: \$ 547,139 in 2014

Property Tax Budgets

Special Situations

Newly created districts:

Defined as those formed during 2015 or first eligible to levy property taxes in 2016. No district eligible to levy in year of formation (I.C. §63-807)
Property tax budget may equal statutory maximum levy rate multiplied by 2016 net taxable value.

Districts which did not levy during 2013, 2014, and 2015:

Limited to the total non-exempt dollar amount of the district's last property tax budget, provided this amount does not result in a levy which exceeds a statutory levy rate.

Districts never levying property tax, exempt or non-exempt:

Defined as those formed before 2016 that have never levied any property taxes. Property tax budget may equal statutory maximum levy rate multiplied by 2016 net taxable value.

Note: Base = \$ 0 if the only levy was for an exempt fund such as a bond.

Sales Tax Distribution

Fiscal Year	Total Sales Tax to be Distributed	% Change
2015	163,780,773	6.79%
2016	174,907,747	

Based on the immediate prior 4 quarters of each fiscal year

Fiscal Year	Revenue Share Amount City/County Equal Share	% Change
2015	46,186,178	6.79%
2016	49,323,985	

Based on the immediate prior 4 quarters of each fiscal year

Fiscal Year	Total Excess Sales Tax Distribution (SPTD)	% Change
2015	25,394,849	19.08%
2016	30,241,174	

Based on the immediate prior 4 quarters of each fiscal year

Total amount of sales tax collected that was distributed to local taxing authorities based on the formula in I.C. §63-3638 (10).

Revenue Sharing Sales tax distributed to City or County based on the formula in I.C. §63-3638 (10). Since both the City and County receive the same amount.

Excess Distribution of sales tax distributed to Cities, Counties, and Special Purpose Taxing Districts based on the formulas in I.C. §63-3638 (10).

Actual effects may vary because the percentages of the total distribution that is base or excess differs between districts. Overall effect is better than last year.

Census population for counties updated March 2016 distribution. Population for cities have not yet been updated.

Election to Create a New Taxing District

- Section I.C. §63-802C
- County clerk where proposed taxing district is to be shall:
 - Mail notice of election to all residences or residents who are eligible to vote.
 - Notice to be mailed not less than 14 days prior to day of election.
 - Shall state with specificity purpose of election
 - Date of election
 - Polling places
 - Time the polls will be open
 - Aggregate amount of taxes that will be raised in the proposed district and the increase that will occur per \$100,000 of taxable value of property, above any exemptions, of residential property, commercial property, industrial property, land actively devoted to agriculture and operating property.
 - County clerk may bill the proposed taxing district for replacement of costs of administering this section.
- Compliance with this section shall satisfy any notice or publication requirement as may be provided by law.

Election Dates

- **Election Consolidation: I.C. §34-106**

Most elections are handled by the county clerk. Provide ballot language as soon as you can, however, final ballot wording needs to be submitted to the county(s) no later than 60 days on even number years and 50 days on odd number years before election.

District Election Dates
3 rd Tuesday in May
Tuesday following the 1 st Monday in November

School Districts Additional Dates
2 nd Tuesday in March
Last Tuesday in August

* = If joint, involve all county clerks.

Overriding the 3% Budget Cap

- Available to all types of taxing districts
 - **Two (2) year override** – Simple majority to pass
 - Temporary – expires in 2 years
 - Not allowed a 3% increase
 - **Permanent override** –
 - 2/3rd majority to pass (60% for qualifying cities)
 - Resets the non-exempt portion of a taxing districts property tax budget
 - Included in following year's 3% calculation
 - Both are fund specific
 - Can not exceed fund's levy limit
 - Except Highway District
- Schools – similar provisions for supplemental.

Estimating the Maximum Amount of an Override

A district's combined fund and override levy cannot exceed the fund's levy limit. Below is one way to estimate the maximum P-Tax amount of the override.

This example is based on a fire district wishing to use an override for its General (M&O) fund (max. levy rate 0.0024). The district's maximum non-exempt p-tax budget (less p-tax replacement) is \$748,603.

Computation of Estimated Override

Net taxable market value from December Value Worksheet.	\$ 485,560,701
M&O fund's maximum levy rate limit.	0.0024
Net taxable market value times maximum levy rate.	\$ 1,165,346
Maximum M&O property tax budget. (w/o Override \$)	\$ 748,603
*Estimated annual amount of the override.	\$ 416,743

* Exact amount cannot be determined until September 2016 when values for setting levies are known.

Reporting Overrides on the L-2 Form

An override is fund specific, usually overrides the M&O or general fund. The combined override and M&O fund levy rates can't exceed the maximum levy rate of the M&O fund. In this example the maximum levy rate is 0.0024.

Assumption: The 2016 net taxable market value is \$495,600,000. The levy rate for the M&O is 0.001510498 and the Permanent Override levy is 0.000840886 which totals 0.002351384. The total is less than the M&O maximum levy rate.

2016 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 or Taxing Unit's Name:

FIRE DISTRICT

Fund	Total Approved Budget*	Cash Forward Balance	Other revenue <i>NOT</i> shown in Column 5	Property Tax Replacement From Line 13 of L-2 Worksheet	Balance to be levied Col. 2 minus (Cols. 3+4+ 5)
1	2	3	4	5	6
M&O	1,000,000	200,000	45,604	5,793	748,603
Permanent Override	416,743				416,743
Column Total:	1,416,743	200,000	45,604	5,793	1,165,346

This example reflects a permanent override.

To compute future increases next year's highest of the last 3 year's non-exempt p-tax budget would be \$ 1,165,346.

Override Cautions

- Advise against including levy rates as part of ballot question:
 - If voters approve the rate on the ballot and the values drop the voter approved levy rate would not generate the amount of money the district expected.
 - In a permanent override, the binding effect of the rate could prevent future budget increases or even raising the same amount.
 - Levy rate may be used as part of an example for demonstrating effects on taxpayers.
- Use as much statutory (63-802) language as possible:
 - consider terms such as “exceed” or “override” rather than “serial” (not found in law).

Ballot Language

- STC is offering to review taxing district property tax related ballot measures language before ballots are printed.
- Bonds only I.C. §34-439 - Outlines information that is to be on the official statement and the ballot for bonds.
- Non-Bond issues I.C. §34-439A – Requires ballot and notice of election to include:
 - Purpose of levy
 - Date of election
 - Estimated dollar amount to be collected each year
 - \$ **not** required for Charter School District supplemental.

Plant Facilities Fund Notes

School, Library, and Community Colleges are the only taxing districts with authority to have this type of fund.

Various election majorities required (from 55% - 2/3).

Refer to Idaho Code § 33-804 for details

Fire (I.C. §31-1425(2)) and Ambulance (I.C. §31-3908A) Districts

Discretionary Exemptions

- The Board of County Commissioners, upon application, may, by an ordinance enacted no later than the 2nd Monday in July, exempt all or a portion of the unimproved real property within the district from taxation, and may exempt all or a portion of the taxable personal property within the district from taxation. Note: Formation ballot language can make this option moot.
- Any ordinance must provide that each category of property is treated uniformly.
- Notice of intent to adopt an ordinance which exempts unimproved real property shall be provided to property owners of record in same manner as required in I.C. §67-6511(2)(b) (zoning district boundary change).
- Documentation required if option is used.

Rule 808 – Documentation by Taxing Districts

- If a taxing district (Ambulance or Fire) elects the property categories to be taxed, documentation of such election must be provided to **each** county clerk. No documentation required if taxable categories limited by statute (i.e. Flood Control cannot levy on personal property).
- County clerk must provide documentation to STC by the 1st Monday of August each year.

Fire District Exemptions

Idaho Code §31-1425 (1)

Utility Agreements:

All public utilities shall be exempt from taxation by fire districts.

The board of fire protection commissioners may enter into an agreement with a public utility for the purpose of affording protection provided by the fire district to all, or such portion, of the property of the public utility as may be agreed upon. Any such agreement must be signed by both the fire district and the public utility.

Copies of any agreement must be filed with the county clerk and the state tax commission. Considered in effect until cancelled by either party.

Highway/City Fund Sharing

- Idaho Code §40-801(1)(a) states that any levy made shall be proportionately apportioned (50% of this fund's levy applied to taxable property within cities in the districts) to all cities within the highway district boundary.
 - On the L-2 show the entire amount: DO NOT deduct the amount anticipated for the cities.
- No other property tax fund is shared with the cities (special levy 0.00084, tort etc.).
- If the highway district certifies a levy as “M&O” or “General” it is assumed to be I.C. §40-801(1)(a) levy and revenue is split with the cities in the district.

Example of City/Highway

I.C. §40-801(1)(a) Split Computation

Computation of City/Highway M&O Split

Enter the Highway District's Net Taxable Value Below:

201,609,913

Enter the Highway District's 40-801 (1)(a) levy rate:

0.001478221

= \$ 298,024 Total P-Tax levied

Enter City Name below:	Enter the Net Taxable Value for the City	Estimated Hwy M&O Split For Each City
City A	33,665,425	24,882.47
City B	20,225,223	14,948.67
City C	13,686,965	10,116.18
		0.00
		0.00
		0.00
		0.00
Total to cities:	67,577,613	49,947.32

This example multiplies the 40-801(1)(a) fund's levy rate by the city's net taxable Value and divides the result by 2.

This is the estimated amount that will be distributed to the city from the total property tax collection of the fund only.

Copies of this spreadsheet are available upon request.

Note: The highway district should certify \$298,024 for its property tax budget. It will receive \$49,947 less.