

# Idaho School Property Tax Issues

Alan S. Dornfest

Property Tax Policy Supervisor

County Support Division

Idaho State Tax Commission

June 24, 2010



# Contact Information

**Alan Dornfest: Property Tax Policy Supervisor**

**Phone: (208) 334-7742**

**Fax: (208) 334-7844**

**E-Mail: [alan.dornfest@tax.idaho.gov](mailto:alan.dornfest@tax.idaho.gov)**

**Tax Commission Web Page "[tax.idaho.gov](http://tax.idaho.gov)**

# Session Goals

- Review new and existing laws that may affect property tax revenue
- Understand limits on property tax revenue
- Understand how to use forms to certify property tax portion of 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 does not oversee or govern expenditures
  - Carry over authority varies
- Actual taxes collected and disbursed to you may vary from certified amounts
  - Part of the taxable value used to set the levy rate is estimated
  - Certified property tax does not include occupancy tax
  - Delinquencies may be collected for back years
- Budget and other publication requirements – specific to each type of district

# Where to go for answers on these issues

- Department of Education
- Independent auditors
- Legal advisors

# State Tax Commission's Web Page: <http://tax.idaho.gov>

The screenshot shows the Idaho Tax Commission website. At the top left is the logo "IDAHO Tax Commission". The top navigation bar includes links for "Help", "About Us", "Latest Updates" (with a RSS icon), "Newsroom", "Contact Us", "Find It!", and "Idaho". A search bar is on the right. A left sidebar contains a menu with "Individuals", "Businesses", "Tax Professionals", "Laws & Rules", "Motor Fuels", "Property Tax", and "Unclaimed Property". A central banner features a red warning: "If you've received an income tax refund that's less than you expected, it may be due to unpaid court fines or other legal obligations. Read more." Below this is a photo of the Snake River with the caption "Snake River". To the right of the photo is a "Quick Picks" section with a blue-bordered box containing the text: "To get your L-2s etc; start by selecting the button labeled Property Tax". A black arrow points from this box to the "Property Tax" link in the sidebar. Below the photo is a "Related Sites" section with links to "Idaho agencies", "Tax sites for other states", and "Internal Revenue Services (IRS)". At the bottom of the main content area is a button that says "Forgot to file? »". On the right side, there are sections for "Online Services" (E-file, E-learn, E-pay, Keep me updated), "Popular Searches" (Unclaimed money, My refund, Classes & events, FAQs, Forms, Publications, Reports, Due dates, Verify seller's permit), and "Contact Us" (Idaho Tax Commission, PO Box 36, Boise ID 83722-0410, (208) 334-7660 or).

This is the Property Tax page.  
Select Forms to get L-2s etc.

The screenshot shows the Idaho Tax Commission website. At the top left is the logo "IDAHO Tax Commission". Navigation links include "Help", "About Us", "Latest Updates" (with a RSS icon), "Newsroom", "Contact Us", "Find It!", and "Idaho.". A search bar is on the right. A breadcrumb trail shows "Home" and "Property Tax".

The main content area has a heading "Property Tax" and two paragraphs of text. The first paragraph explains that property taxes fund schools, cities, counties, and local law enforcement. The second paragraph states that most homes, farms, and businesses are subject to property tax, with exemptions for homeowners and low-income individuals. Below this is a list of links: "History of Property Tax in Idaho" and "Property tax related links".

On the right side, there is a "Related info" sidebar with a list of links: "Classes & events", "FAQs", "Forms", "Decisions & other resolutions", "Online services", and "Publications". Below this is a "General info" section. An arrow from the callout box points to the "Forms" link.

At the bottom of the main content area, a box contains the text: "Use the right-hand column to find related information, documents, and services."

**Individuals**

**Businesses**

**Tax Professionals**

**Laws & Rules**

**Motor Fuels**

**Property Tax**

**Unclaimed Property**

» [Home](#) » [Search Results For Forms](#)

## Search Results For Forms

- **F** indicates a fill-in form.
- [Can't find a form? Learn more about using our tax forms »](#)
- If you're on a **shared computer and using Internet Explorer**, please read this [important security information»](#)
- File info includes: [iss](#) / publication date, file format, and file size.

Click on headers to sort by column

Year	Form no.	Title	File info
2010	<b>NEW!</b>	<a href="#">L-2 Hospital</a>	06-07-2010 (pdf, 15k)
2010	<b>NEW!</b>	<a href="#">L-2 County Only</a>	06-07-2010 (pdf, 14k)
2010	<b>NEW!</b>	<a href="#">L-2 School</a>	06-07-2010 (pdf, 68k)
2010	<b>NEW!</b>	<a href="#">Voter Approved Fund Tracker</a>	06-08-2010 (pdf, 13k)
2010		<a href="#">Recovered / Recaptured Property Tax Substitute Funds List</a>	04-02-2010 (pdf, 34k)
2010		<a href="#">Maximum Budget &amp; Foregone Amount Worksheet</a>	06-07-2010 (pdf, 347k)
2010		<a href="#">Application for Property Tax Reduction</a>	11-30-2009 (pdf, 25k)
2010		<a href="#">Application for Property Tax Deferral</a>	11-30-2009 (pdf, 39k)
2010		<a href="#">Gas Transmission Industry Operator Statement</a>	01-01-2010 (pdf, 146k)
2010		<a href="#">Petroleum Pipeline Industry</a>	01-01-2010



Lick Creek Canyon

### Related info

- ▶ [Classes & events](#)
  - ▶ [FAQs](#)
  - ▶ [Forms](#)
  - ▶ [Decisions & other resolutions](#)
  - ▶ [Online services](#)
  - ▶ [Publications](#)
- ### General info
- ▶ [Contact us](#)
  - ▶ [News feeds](#)
  - ▶ [Reports](#)
  - ▶ [Tax rates and interest rates](#)
  - ▶ [Due dates](#)

# School District General Budget and Levy Responsibilities

- 1. Notify County Clerk(s) of budget hearing date and location, written notification required.  
(deadline - April 30, 2010),**
- 2. Set your budget**  
Provide required advertisements for budget hearing dates, location, and times, and, publication of proposed budget (if required)
- 3. Certify budget to County Commissioners**  
9-9-2010 or request a 7 working day extension from the County to 9-20-2010, except for emergency fund 9/13/2010.



**Note: Includes Charter School Districts but not Charter Schools – which have no independent authority to levy property tax.**

# **State Tax Commission Roles**

- 1. Review and approve levy and property tax portion of budget (10-25-2010)**
- 2. Determine operating property values**
  - 1. Preliminary values in July**
  - 2. State Board of Equalization finalizes by 4<sup>th</sup> Monday in August.**
  - 3. Final values in September (9-7-2010)**
- 3. Provide technical support & assistance**
- 4. Map boundaries of each taxing district**

# The Economy and its Effect on Property Tax Budgets and Levies

- Home Foreclosures:
  - Properties remain on the roll; however value could go down if trends through the end of 2009 justify it.
  - If values decline and your p-tax budget is unchanged your tax levy rate will go up. Cannot exceed levy rate limits.
- Timing:
  - Values set using property existing within the county as of January 1, 2010.
  - If values have declined during 2010, levy effects will be seen in September 2011.
- What happened to 2009 values?
  - Statewide – Down about 5%; residential down about 8%.
  - Reductions noted in about 15 counties
  - Many areas were flat or even trended upward

# New Legislation

# HB-645 – 2010 Legislature

## Changes to New Construction Roll

- Amends I.C. §63-301A – New Construction Roll
- Requires subtractions from subsequent year's new construction roll for property previously included on any new construction roll and:
  - With a reduced value as a result of a board of tax appeals or court decision
  - A correction due to double or erroneous assessment
  - A value reduction due to change of land use classification
    - This reduction pertains to land value only
    - This reduction is to be made only if there was a previous value increase due to change of land use classification reported on any new construction roll
- Permits additions for property that should have been included on past new construction roll

# SB-1422 – 2010 Legislature

## Changes to Plant Facilities Fund

- Amends I.C. §33-804
- Allows a school district to transfer part or all of an existing Plant Facilities levy to a supplemental levy with voter approval of 50%.
  - Duration of the Plant Facilities Transfer to Supplemental is for 2 years max.
  - When Plant Facilities Transfer to Supplemental expires revenue reverts back to existing Plant Facilities.
- Total of the existing Plant Facilities and Plant Facilities Transfer to Supplemental levies may not exceed the amount approved by voters of the Plant Facilities levy.
- When reporting on the L-2 show a separate line item for the existing Plant Facilities and the Plant Facilities Transfer to Supplemental levies. Please attach a copy of the ballot and canvass of vote.
- If school district is within the boundaries of an RAA all of the revenue generated by the Plant Facilities Transfer to Supplemental levy will go to the school district.

# School Property Tax Funds

# School District Funds

Maintenance & Operation: I.C. §33-802 – Use the highest of the actual or adjusted prior year's market value multiplied by 0.00364167 (Boise #1 only).

Budget Stabilization Fund: I.C. §33-802-Districts not receiving state equalization funds in FY2006 may authorize a budget stabilization levy. (amount cannot be exceeded)

Tort/Liability Insurance: I.C. §6-927 – no levy limit; liability insurance premiums only.

Plant Facilities: I.C. §33-804 – Up to 0.004 1<sup>st</sup> year only, then only capped based on ballot measure language.

Safe School Plant Facilities: I.C. §33-804A – Same basic election rules as regular Plant Facilities levy except term is 20 years and must meet certain criteria. Refer to code for details.

COSA Plant Facilities Levy (eff. 7/1/2009): I.C. §33-317A – Voter approved for a period of up to 3 years. May levy for a 33-804 Plant Facilities in addition.

Bond: I.C. §33-1103 – refer to code for details.

# School District Funds (continued)

Cooperative Service Agency (COSA): I.C. §33-317 – levy limit of 0.001. Majority of voter approval for up to 10 years.

COSA Facilities Levy: I.C. §33-317 – levy limit of 0.004. 66 2/3 voter approval for up to 10 years.

Emergency: I.C. §33-805 & 63-805 – levy limit of 0.0006; refer to code for details.

Supplemental (override): I.C. §33-802 – no limit (up to 2 years except special permanent).

Tuition: I.C. §33-1408 – no levy limit

Judgments: I.C. §63-1305 - When board of tax appeals or any court orders a refund of any property taxes imposed. 1-2 year limit.

Judgments: I.C. §33-802 – refer to code for details.

Migrant Worker: I.C. §33-803 – 0.001 – Has never been levied for. (precluded if tort fund)

# Budget Stabilization Levies

- School districts not receiving state equalization funds in fiscal year 2006 can have a Budget Stabilization Levy
  - #61 Blaine – \$29,521,352
  - # 92 Swan Valley - \$ 133,871
  - # 394 Avery - \$ 117,520
  - # 421 McCall Donnelly - \$ 5,658,712
- These amounts are maximum annual amounts.

# Tort Fund budget limit I.C. §63-802

## Computing 3% Portion of Increase

Year	2007	2008	2009
Total levied for P-tax portion of Tort fund	\$ 50,000	\$ 50,000	\$ 50,000
Agricultural Replacement Money	\$ 7,973	\$ 7,973	\$ 7,973
*Recovered Homeowner's Exemption	0	\$ 451	\$ 387
<b>Total Property Tax Replacement monies</b>	<b>\$ 7,973</b>	<b>\$ 8,424</b>	<b>\$ 8,360</b>
<b>Total levied non-exempt property tax budget plus property tax replacements</b>	<b>\$ 57,973</b>	<b>\$ 58,424</b>	<b>\$ 58,360</b>

Computation of 3% increase:

$$\begin{array}{r}
 \$ 58,424 \\
 \times 0.03 \\
 \hline
 \$ 1,753
 \end{array}
 \qquad
 \begin{array}{r}
 \$ 58,424 \\
 + 1,753 \\
 \hline
 \$ 60,177 \text{ (total plus 3\% increase)}
 \end{array}$$

\* = Reported as of June 30 each year.

# Property Tax Replacement

- Agricultural Equipment Replacement monies:
  - Agricultural equipment exempted in 2001.
    - 2000 tax plus one time 6% inflation calculation.
- Recovery:
  - Improperly claimed homeowner's exemption.
  - Available after June 30<sup>th</sup> each year.
- Recapture:
  - Property tax exemption in lieu of Investment Tax Credit (QIE).
  - Available after June 30<sup>th</sup> each year.
- Total of all
  - Added back to total non-exempt property taxes to compute 3% increase.
  - Subtracted from tort fund before computing property tax levies.
- Note: Personal property tax replacement (*not in effect in 2010*):
  - Will not be subtracted (unknown dollars when levy set)

# Agricultural Equipment Exemption Replacement Moneys

- Original basis – Year 2000 levies + .001 + 6%
- Modified downward in October, 2006
- Amount received is subtracted from tort fund before levy rates set, but added back for future 3% increases and to compute hypothetical tort fund levy rate for future new construction budget capacity allowances.
  - Excess amount to be subtracted from other funds
  - Subtraction only required for amounts sent by STC
  - Amount from STC unchanged.
- Report currently on STC's web page under publications. (See Appendix)

# New Construction Roll Example

2009 Hypothetical levy = 0.000414093 computed as follows: divide the sum of the 2009 p-tax portion of the tort fund (\$50,000) plus the agricultural equipment replacement amount (\$7,973) by the 2009 Net Taxable value of the district, \$57,973/\$140 Million = 0.000414093 in this example.

2010 New Construction Roll Value = \$ 500,000

(qualifying new construction first taxable or allowable in 2009 – information available from county clerk in late July)

Multiply the 2010 New Construction Roll Value by the 2009 hypothetical levy:

$$\begin{array}{r} \$ 500,000 \\ \times \underline{0.000414093} \\ \$ 207 \end{array}$$

Additional budget allowance  
(above 3% increase)

# 2010 Maximum Tort Fund Property Tax Calculation

\$ 58,424 = Highest tort fund of the immediate prior 3 years plus p-tax replacement money.

\$ + 1,753 = 3% Increase.

\$ + 207 = New Construction budget increase.

\$ = 60,384 = Maximum Allowable 2010 Tort Fund P-Tax.

---

\$ <7,973> = Agricultural Replacement

\$ <1,000> = 2010 Recaptured Homeowner's Exemption

---

\$ = 51,411 = Maximum Allowable 2010 Tort Fund P-Tax that can be levied.

# 2010 Sample L-2

## 2010 Dollar Certification of Budget Request to Board of County Commissioners L-2

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

District or Taxing Unit's Name: Sample School District

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
Tort	66,384	6,000	-	8,973	51,411
Bond #1	500,000				500,000
<b>Column Total:</b>	566,384	6,000	-	8,973	551,411

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.

# Example of L-2 Worksheet if School's Property Tax Replacement \$ are More Than Allowable Maximum Property Tax Budget

## 2010 Dollar Certification of Budget Request to Board of County Commissioners L-2

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

District or Taxing Unit's Name: Sample School District

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
Tort	66,384	14,973	-	51,411	-
Bond #1	500,000			3,589	496,411
<b>Column Total:</b>	566,384	14,973	-	55,000	496,411

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 L-2 example shows how to complete the L-2 if the school district's maximum property tax portion of its tort fund (\$51,411) is less than their total property tax replacement money (\$55,000).**

**Any remaining property tax replacement money must be deducted from any other property tax funds.**

# Maximum Budget and Foregone Amount\*

## Worksheet (on STC web page)

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	Foregone Amount
	2007	2008	2009				
Benewah County	2,415,568	2,544,621	2,661,000			0.003814250	672
County Road & Bridge	170,000	175,000	165,000			0.000259309	
<b>Total County Budget Information:</b>	2,585,568	2,719,621	2,826,000	2,856,958	85,709		
<b>Cities:</b>							
Plummer	80,485	83,553	86,342	86,479	2,594	0.001845901	
St. Maries	560,056	578,733	598,417	598,417	17,953	0.006290060	
Tensed	8,237	8,094	8,765	8,953	269	0.003558103	
<b>Schools:</b>							
<b>School districts only use the Tort, Migrant Worker Funds.</b>						<b>Hypo Levy</b>	
St Maries #41	36,050	37,735	39,398	42,446	1,273	0.000083812	
Plummer Worley #44	33,699	35,088	36,470	36,470	1,094	0.000058398	
Kootenai #274	15,801	16,275	16,763	16,763	503	0.000022496	
<b>Fire:</b>							
Enida Fire			29,000	29,000	870	0.001451217	
Fernwood Fire	17,675	18,204	18,751	18,776	563	0.000430218	6,860
Gateway Fire	122,783	127,626	131,912	135,668	4,070	0.001102297	
St Maries Fire	264,912	276,134	294,755	295,107	8,853	0.000747579	
Tensed Fire	11,398	11,857	12,326	13,263	398	0.000239723	
<b>Highway:</b>							
Plummer Gateway Hwy	68,659	71,982	74,468	77,946	2,338	0.001214030	
<b>Library:</b>							
Benewah County Library	115,952	121,157	126,066	126,806	3,804	0.000226764	

\*Note: School Districts not eligible for foregone amounts

# Plant Facilities FAQ's

- How many plant facilities levies can a district have?
  - The law and IDAPA Rule 801 indicate that only one (1) plant facilities fund can exist at a time. Voters may be asked to increase the length or amount of the existing plant facilities fund.
- Can a school district levy property tax for a second “plant facilities reserve fund levy for safe schools facilities” pursuant to I.C. §33-804A?
  - No. This statute merely sets up conditions under which a plant facilities fund can last for up to 20 years.
- State Authorized Plant Facilities Levy falls counts toward the “only one” limit.
- COSA Plant Facilities – May be levied in the same year as those listed above. Maximum term is 3 years. (separate line items on L-2 and voter approved fund tracker)

# **New Plant Facility Fund Notes**

## **Idaho Code § 33-804**

- 1. If there is an existing bond, add the hypothetical bond levy and the proposed hypothetical new plant facility fund levy rate together.  
The above levies are hypothetical because they are based on the December 31 value (prior to year of plant facility fund election), not the September value.**
- 2. If total of hypothetical levies is:**
  - A.  $<.2\%$ , 55% voter approval required to pass.**
  - B.  $>.2\%$  but  $<.3\%$ , 60% voter approval is required to pass.**
  - C.  $\geq.3\%$ , 2/3 voter approval is required to pass.**
- 3. The amount to be raised each year must be specified in the election notice.**
- 4. If election passes the dollar amount to be raised in any year cannot exceed  $.4\%$  multiplied by the December 31 value from year prior to the election.**

# Calculation of Plant Facilities Fund Maximum Budget (I.C. § 33-804)

Multiply the actual December 31 market value from the year prior to the year of the election by 0.004.

This equals the maximum property tax dollars that can be raised to pay for the Plant Facilities fund, but this amount cannot exceed the dollar amount stated on the election notice.

Example: Plant Facilities election held in 2009

School district's December 31, 2009 market value is \$500,000,000

$$\begin{array}{r} \$ 500,000,000 \\ \times \quad 0.004 \\ \hline \$ \quad 2,000,000 \end{array}$$

the \$2,000,000 represents the maximum property tax dollars.

Actual levy in any year not subject to 0.004 limit.

# COSA Plant Facilities

Note: rate is based on hypothetical levy computed using prior year end value – see next slide regarding treatment of urban renewal increment value.

<b>% Voter Approval</b>	<b>33-317A COSA Plant Facilities Fund</b>	<b>33-804 Plant Facilities Fund</b>
55%	Existing Plant Facilities plus proposed COSA Plant < 0.2%	Bond plus proposed Plant Facilities <0.2%
60%	Existing Plant Facilities plus proposed COSA Plant 0.2% - <0.3%	Bond plus proposed Plant Facilities 0.2% - <0.3%
66 2/3%	Existing Plant Facilities plus proposed COSA Plant 0.3% - <0.4%	Bond plus proposed Plant Facilities 0.3% - <0.4%

# COSA Plant Facilities Election Test

- COSA Plant Facilities election test requires computing a hypothetical levy using any existing Plant Facilities and the potential COSA Plant Facilities funds.
- Computing the hypothetical levy:
  - **Scenario 1**: Existing Plant Facilities fund passed in 2006 for 10 years for \$100,000 each year. COSA Plant Facilities to be voted on in 2010 and its budget is \$50,000 each year for 3 years. Divide the existing Plant Facilities budget of \$100,000 by the December 31, 2009 net taxable value (do not include U/R increment); then divide the COSA Plant Facilities budget of \$50,000 by the December 31, 2009 net taxable value with the U/R increment value added. Then add both hypothetical levies together to determine election test.
  - **Scenario 2**: Same as scenario 1, but the existing Plant Facility passed May 2008 for 10 years. You would compute both hypothetical levies by adding the U/R increment.

Note: This same principle applies to calculation of hypothetical levies for new (proposed) plant facilities funds for school districts with bonds passed before December 31, 2007.

# School Supplemental (overrides)

## Provisions outlined in Idaho Code Section 33-802

### Temporary supplemental (I.C. §33-802(3)):

- **Simple majority to approve.**

### Permanent Supplemental:

- **Has had a supplemental equal to or greater than 20% of the total general maintenance & operation fund for at least seven (7) consecutive years.**
- **Must be approved by a simple majority of the district electors voting. (only 4 school districts use this provision).**

### Permanent Override (I.C. §63-802 funds only):

- **Requires 2/3 majority voter approval**
- **Elections held May or November**

# Property Tax Election Law Change Effective 1-1-2011

- **Prior to January 1, 2011;**
  - School Districts exempt from provisions of I.C. §63-106
  - Elections held too late to certify budget amounts by required dates in September cannot generate additional 2010 property tax.
- **Beginning January 1, 2011;**
  - School District property tax related election dates are:
    - 2<sup>nd</sup> Tuesday in March
    - 3<sup>rd</sup> Tuesday in May
    - Last Tuesday in August
    - Tuesday following the first Monday in November.

# Property Tax Forms and Documentation

- 2010 L-2
  - 2010 L-2 Worksheet
  - 2010 Voter Approved Fund Tracker
- 

NOTE: The L-3 and L-4 forms not requested by State Tax Commission.



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

**District Name:** \_\_\_\_\_ **Enter Year:** **2010**

**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 Foregone Amount Worksheet".			(1)	
Multiply line 1 by 3%.			(2)	

**New Construction & Annexation budget increases:**

<b>Enter the 2010 value of district's new construction roll from each applicable county below:</b>				
<b>County Name</b>		<b>Value</b>		
	(A)			
	(B)			
	(C)			
	(D)			
<b>Total of New Construction Roll Value for the District:</b>	<b>(3)</b>	<b>-</b>		
Enter the 2010 value of annexation from property assessed by the county.	(A)			
Enter the 2010 value of annexation from <b>Operating Property</b> .	(B)			
<b>Total Annexation Value:</b>	<b>(4)</b>	<b>-</b>		
Enter the total 2009 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 recovered Homeowner's Exemption property tax.	(10)			
Enter recaptured Qualified Investment Exemption.	(11)			
Enter the total of lines 9, 10, and 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.**

**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
------	--	--------------------	--	-----------------------------

**Overrides or School Supplemental**

2 Yr Override I.C. §63-802 (All Districts)				
Permanent Override I.C. §63-802 (All Districts)				
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.)

**School Cooperative Service Agency (COSA) Funds**

COSA Funds (50% Voter Approval 10 yr)				
COSA Maintaince (2/3 Voter Approval 10 yr)				

**School 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 Facilites (20 yrs)				
If voters approved an increase in the annual amount but did not change the term enter the amount of increase here.				
COSA Plant Facilities (3 yrs)				

**Bonds (refer to district code for specifics)**

Bond (1)				
Bond (2)				
Bond (3)				
Bond (4)				

This form  
**MUST** be  
 attached to  
 your L-2 if  
 you levy for  
 any of the  
 funds listed.

# What to Send with L-2s

- The 2010 L-2 form with all pertinent information filled in.
- The 2010 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.
- §33-802 judgment orders.

# Urban Renewal Increment Value

When Increment Value Added  
for Levy Setting Purposes

# HB-470 (2008)

## Effect of law change on property taxes.

Value Information	
50,000,000	Net taxable value
5,000,000	U/R Increment
45,000,000	Value used for levies

Bond generated  
\$33,333.33 for URD.

Existing Funds Prior to 1/1/2008 (Old Law)			
Tort	10,000	0.00022222	2
Emergency	27,000	0.00060000	0
Bond (expires 12/07)	300,000	0.00666667	
Total:	337,000	0.00748889	

Under this system the U/R increment value is excluded

New Funds As Of 1/1/2008 (New Law) No Bond \$ Allocated to URD			
Tort	10,000	0.00022222	2
Emergency	27,000	0.00060000	0
Bond (approved by voters in 2008)	300,000	0.006	
Total:	337,000	0.00682222	

Under this system the U/R increment value is included when computing the levy for the bond only.

	Property's Taxable Value	Prop. Taxes
Prior to 1/1/2008	200,000	1,497.78
As of 1/1/2008	200,000	1,364.44
		133.33

Resulting in a lower property tax liability for individuals.

# 2010 Effects of HB 470

## School District Area

### 2010 school levies

2009 URD annex - B

Pre 2008 URD boundaries (A)

Fund	Value for setting levy \$ Millions
Tort	500
2001 plant	510
2008 bond <i>(passed and first levied in 2008)</i>	550
2009 supplemental	550

### 2010 Value Table

Page 41 of 49

School District (base only)	\$500 million
URD (A) increment	\$ 40 million
URD (B) increment	\$ 10 million

# Setting Levies for Taxing Districts Overlapping Urban Renewal Areas (§50-2908(1))

- For certain funds approved or established after 12/31/07, Increment Value is to be added back to taxable value. In this case, there is **no** distribution to the urban renewal agency for taxes paid for the qualified funds.
- The qualified funds are:
  - 1 - 2 Year override elections pursuant to §63-802(3)
  - Judgments §63-1305 (assessment appeal refunds) and §33-802(1) (School district judgments)
  - Plant Facilities & COSA Plant Facilities
  - Bonds
  - School and charter school district temporary supplemental elections pursuant to I.C. §33-802(1) and (4)
- Applies to existing qualified funds if fund new to RAA due to boundary changes of taxing district or RAA.
- Does **not** apply to permanent supplemental or permanent overrides so, for these and older bonds and plant facilities funds the increment value is not added (*part may be when boundaries change*) before setting the levy and money generated by the levy is distributed to the urban renewal agency.

Bonds and plant facilities funds approved after 12/31/07

# Qualifying Funds

- When funds qualify, increment value is added before setting levy and all money to school district.
- Based on date **passed** (after 12/31/07)
  - Bonds
  - Plant facilities
- Based on date first **levied** (after 12/31/07)
  - Temporary Overrides
  - Temporary School Supplemental
  - 63-1305 Judgments and 33-802(1) school judgments

# Plant Facilities Approved Prior to 12/31/2007 Issues

- Issues likely to arise re plant facilities (10 or 20 yr) and urban renewal.
  - Existing (pre 2008) plant facilities funds that are increased.
    - Solution: two levies computed, the original amount excluding the increment and the increase amount including the increment value.
    - Needs two lines on L-2 form
  - Existing (pre 2008) plant facilities funds terms increase (ie: 5 yrs to 10 yrs).
    - These will constitute changes “passed” after 12/31/2007 and therefore should be treated as new thereby including increment value for levy setting purposes.
    - Not to be split on L-2
- Voter approved fund tracker has been modified

# Appendix

# Fee Increase

## Per Idaho Code §63-1311A

- Increase over 105% of:
  - a. The last fee collected, 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. Public meeting held in 3 different locations within the district's boundary, or;
  - c. Single mailing to all district's residents.

# Agricultural Replacement Monies

District Revised: 4/5/2007	Annual Agricultural Replacment \$	Qtrly Payment Starting FY08	District Revised: 4/5/2007	Annual Agricultural Replacment \$	Qtrly Payment Starting FY08
Boise Independent #1	4,279.00	1,069.75	Butte County #111	37,567.00	9,391.75
Meridian #2	18,013.00	4,503.25	Camas #121	2,315.00	578.75
Kuna #3	2,069.00	517.25	Nampa #131	35,460.00	8,865.00
Meadows Valley #11			Caldwell #132	5,017.00	1,254.25
Council #13			Wilder #133	25,627.00	6,406.75
Marsh Valley #21	12,094.00	3,023.50	Middleton #134	12,562.00	3,140.50
Pocatello #25	8,954.00	2,238.50	Notus #135	19,426.00	4,856.50
Bear Lake #33	2,126.00	531.50	Melba #136	35,300.00	8,825.00
St Maries #41	3,048.00	762.00	Parma #137	49,647.00	12,411.75
Plummer Worley #44			Vallivue #139	86,824.00	21,706.00
Snake River #52	157,066.00	39,266.50	Grace #148	10,294.00	2,573.50
Blackfoot #55	28,883.00	7,220.75	North Gem #149	5,371.00	1,342.75
Aberdeen #58	41,646.00	10,411.50	Soda Springs #150	22,469.00	5,617.25
Firth #59	17,535.00	4,383.75	Cassia #151	140,394.00	35,098.50
Shelley #60	18,695.00	4,673.75	Clark #161		
Blaine #61	2,858.00	714.50	Orofino #171	4,104.00	1,026.00
Garden Valley #71			Challis #181		
Basin Elementary #72	149.00	37.25	Mackay #182	2,793.00	698.25
Horseshoe Bend #73	701.00	175.25	Prairie Elementary #191		
West Bonner #83			Glenns Ferry #192		
East Bonner #84	73.00	18.25	Mountain Home #193	15,459.00	3,864.75
Idaho Falls #91	95,771.00	23,942.75	Preston #201	12,121.00	3,030.25
Swan Valley Elementary #92	1,076.00	269.00	West Side #202	9,825.00	2,456.25
Bonneville #93	41,894.00	10,473.50	Fremont #215	6,276.00	1,569.00
Boundary #101	2,092.00	523.00	Emmett #221	21,763.00	5,440.75

# Agricultural Replacement Monies

District Revised: 4/5/2007	Annual Agricultural Replacment \$	Qtrly Payment Starting FY08
Gooding #231	21,116.00	5,279.00
Wendell #232	23,282.00	5,820.50
Hagerman #233	7,669.00	1,917.25
Bliss #234		
Grangeville #241 (dissolved 2007)		
Cottonwood #242	729.00	182.25
Salmon River #243	1,335.00	333.75
Mountain View #244	8,243.00	2,060.75
Jefferson #251	38,534.00	9,633.50
Ririe #252	20,824.00	5,206.00
West Jefferson 253	64,660.00	16,165.00
Jerome #261	52,714.00	13,178.50
Valley #262	24,091.00	6,022.75
Coeur d'Alene #271	2,486.00	621.50
Lakeland #272	3,437.00	859.25
Post Falls #273	3,162.00	790.50
Kootenai #274		
Moscow #281	34,674.00	8,668.50
Genesee #282	57,693.00	14,423.25
Kendrick #283	21,284.00	5,321.00
Potlatch #285	30,387.00	7,596.75
West Whitepine #287	9,787.00	2,446.75
East Whitepine #288	2,839.00	709.75
Salmon #291		
South Lemhi #292		

District Revised: 4/5/2007	Annual Agricultural Replacment \$	Qtrly Payment Starting FY08
Nez Perce #302	10,146.00	2,536.50
Kamiah #304	2,308.00	577.00
Highland #305	3,844.00	961.00
Shoshone #312	30,114.00	7,528.50
Dietrich #314		
Richfield #316	601.00	150.25
Madison #321	12,848.00	3,212.00
Sugar Salem #322	33,191.00	8,297.75
Minidoka #331	76,853.00	19,213.25
Lewiston Independent #340	15,169.00	3,792.25
Lapwai #341	2,160.00	540.00
Culdesac #342	8,351.00	2,087.75
Oneida #351	18,843.00	4,710.75
Marsing #363	23,958.00	5,989.50
Pleasant Valley Elementary #364		
Bruneau Grandview #365	23,872.00	5,968.00
Homedale #370	21,535.00	5,383.75
Payette #371	1,884.00	471.00
New Plymouth #372	17,270.00	4,317.50
Fruitland #373	18,430.00	4,607.50
American Falls #381	74,106.00	18,526.50
Rockland #382	25,843.00	6,460.75
Arbon Elementary #383	2,770.00	692.50
Kellogg #391	1,760.00	440.00
Mullan #392	148.00	37.00
Wallace #393	237.00	59.25
Avery #394		

# Agricultural Replacement Monies

<b>District</b> Revised: 4/5/2007	<b>Annual Agricultural Replacment \$</b>	<b>Qtrly Payment Starting FY08</b>
Teton #401	5,121.00	1,280.25
Twin Falls #411	3,945.00	986.25
Buhl #412	14,264.00	3,566.00
Filer #413	12,953.00	3,238.25
Kimberly #414	14,727.00	3,681.75
Hansen #415	10,018.00	2,504.50
Three Creek #416		
Castleford #417	7,846.00	1,961.50
Murtaugh #418	17,451.00	4,362.75
McCall Donnelly #421		
Cascade #422	14.00	3.50
Weiser #431	3,329.00	832.25
Cambridge #432	8,114.00	2,028.50
Midvale #433		
<b>Totals:</b>	<b>1,972,605</b>	<b>493,151.25</b>