

PROPERTY TAX RULES COMMITTEE MEETING

Date: June 7, 2019

Time: 9 AM – 12 PM

Location: Room 1CR5, Idaho State Tax Commission, 800 Park Blvd Plaza IV

Welcome & Introductions

Committee Chair Alan Dornfest

Welcome to the State Tax Commission's new chairman, Chairman Tom Harris.

Minutes Approved from April 10, 2018

Rules Status Report

Committee Co-chair Kathlynn Ireland

EXAMPLES AND RULES DISCUSSED TO BE MOVED TO A MANUAL:

The chair explained three categories we want to use for each example we discuss today:

1. An example we really need to have the full force of law.
2. An example that's purely an example and is fine to be moved to a manual or a web link.
3. An example we're unsure if it can be moved out of rule or if it needs the full force of law.

Rule and Consensus of Committee:

130

- **Move to the Ratio Manual.**
- **Keep rule and take out example.**

219

- **Keep rule but take out examples.**
- Good for class material. **Add this example to the Mapping Rules/Laws Manual.** One suggestion was to have one manual per topic and not let these manuals become too big.

220

- The committee agreed **moving the example to manual** would be more user friendly.
- **Keep rule but take out example.**

315

- The entire committee agreed this example is not needed.
- **Keep rule but take out example.**

317

- **Table until July** after the Bulletin is published so we can discuss the rule in depth.

613/614

- Subcommittee will meet this afternoon and provide a report at the next meeting.
- **Table until July.**

619

- The counties and Commission are not using the example regarding the calculation of the pollution control exemption amount.
- Some members saw value in preserving the example in a manual.
- **Keep rule but take out example.**

627

- This rule was originally written for a new law so everyone could understand how to implement it. Now we have a history and widespread understanding.
- Some members want to keep the rule to avoid introducing ambiguity.
- **We will ask for approval to remove the example but continue discussion at the next meeting.**
- The questions of how assessable the manuals will be was asked. They will be available on the website.

628

- **Keep rule but take out examples.**

645

- The definition of these categories are in other rules.
- **We will correct the rule for references to other rules being deleted.** These are non-substantive changes and don't require approval.
- **Remove categories from rule.**

802

- Originally, this table was a reaction to a new exemption for site improvements.
- Some thought it could be moved to the manual for new assessors and included in their training.
- Others felt the example IS the rule and should be kept.
- **We will ask for approval to remove the example but continue discussion at the next meeting.**

803

- This rule was written for a specific one-time problem.
- The committee wanted to know what changed to create the need for a temporary rulemaking.
- **The Disclaimer Table will stay.**
- **We will ask for approval to remove the example but continue discussion at the next meeting.**

961

- **Remove example from the rule.**

964

- There was no negative feedback from assessors but we'll **table until winter.**
- **Ask for approval (ARRF) in December.**

988

- **Table until the next meeting.**

- **Terry Accordino (Micron) will research this rule and advise.**

989

- **Keep the example in rule.**

RULES DISCUSSION:

006/411

- These are companion rules and the main rule is 411. If we're not using it in 411 there is no reason to have it in 006.
- This reference has become obsolete for our purposes. There are more comprehensive guides available online. This is no longer the definitive.
- **Betty Dressen moved to delete highlighted sections of 006 and 411, and add the word "identifying" to 411.** The motion was seconded.

130/131

- Will be discussed in subcommittee this afternoon.
- **The subcommittee will report at the next meeting.**

225

- We can't approve or disapprove mapping. The Commission can only not recognize.
- We can only require notification.
- The statute is clear so minimal is needed in rule.
- **Will continue to discuss at next meeting.**

317

- **Will discuss in depth at next meeting after the notice is published.**
- The basic premise is that partial occupancy value is recognized as increment value, not base value. In the first year, annexation results in a prorated occupancy tax.
- There is no Tax Code Area established in our software for RAA's during the first year of formation, so there's no way to distribute the tax generated from occupancies.
- Direction in rule conflicts with law.

804

- There's a meeting on June 20th with the city association and this will be discussed.
- **A draft will be brought to the next meeting.**

613/614

- Will be discussed in subcommittee this afternoon.
- Option 1: Rewrite 613, incorporating what's needed from 614. Then delete 614.
- Option 2: Delete 613 & 614 and make a new rule.
- Everyone was invited to attend the sub-committee meeting at 1:00.
- **The subcommittee will report at the next meeting.**

717

- This draft is the temporary version.
- **The chair asked everyone to go through the language to see if everything works for the permanent version. It will be discussed in depth at the next meeting.**

945

- If we delete this rule, does the statute alone protect the taxpayer? Is there more protection by double stating?
- The counties only use this action after two or three years of working with a taxpayer where the taxpayer won't participate by providing the list.
- The law still provides for that action without the rule.
- **This rule will expire on June 30.**

968

- This is redundant. It's all in the statute with one exception: the rule allows the Commission to be silent on the category so the county can do what is right in their situation.
- **This rule expires on June 30.**

980

- The market value is used in statute, but the original price is used in rule.
- This was discussed at length with Jerry White and he's ok with changes.
- **Will discuss in depth at the July meeting after the notice is published.**