

# 2011 LEGISLATIVE SESSION



# 2011 LEGISLATIVE SESSION REPORT

State Tax Commission

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Tax Policy Supervisor

Webinar Sessions:

May 3<sup>rd</sup> – District 6 - 9a.m – noon  
District 5 – 2p.m. – five

May 4<sup>th</sup> – District 4 – 9a.m. – noon  
District 3 – 2p.m. –five

May 5<sup>th</sup> – District 2 – 9a.m. – noon (Pacific)  
District 1 – 1p.m. – four (Pacific)

# PROPERTY TAX RELATED ISSUES

# HB 011 – COMMITTEE ON FORESTLANDS TAXATION METHODOLOGY (CFTM)

- A forest management cost study is no longer mandated to be done every five years.
  - Is to be done when recommended by the CFTM, or
  - When deemed appropriate by the Tax Commission
  - Can not be done more often than every 5 years
  - The CFTM will determine if the study is to be used in the forest land valuation process
- The Intermountain Forest Association is no longer in existence so four members who represent business entities each owning not less than 5000 acres of forest lands will replace the four members previously representing the Association.

# HB - 013 – AMENDS NEW CAPITAL INVESTMENTS INCENTIVE ACT (63-4502)

- Clarifies the property tax exemption offered by section 63-4502 Idaho Code.
- A qualifying investment of \$1 Billion must be made during a seven year qualifying period.
- All the property of a qualified taxpayer, whether acquired before, during or after the qualifying period, in excess of \$400 Million is exempt.

# HB-089 – FIRE DISTRICT

- Amends existing law to eliminate the requirement that the secretary of each fire protection district transmit to the State Board of Equalization a certified copy of the resolution providing for the property tax levy.
- Signed by Gov: 2/25/2011 -- Eff: 7/1/2011.

# HB-095AA - URBAN RENEWAL

- Provides for a new section 50-2033: (Effective 7/1/11)
  - Urban Renewal agency allowed a one time provision for annexation, however, annexed area can not exceed 10% of Revenue Allocation Area's (RAAs) existing area.
- Amends I.C. §50-2903 (effective 1/1/11) definition of base assessment roll.
  - Value increases due to the loss of the agricultural exemption is added to the base assessment roll. The value increase attributed to undeveloped land is added to the base however the increase in value due to the addition of roads and utilities is not added to the base.
- Amends I.C. §50-2904 maximum duration of new U/R formed after July 1, 2011 to 20 years (still 30years if bonds). (Effective 7/1/11)
  - Existing U/Rs duration limited to what is stated in their plan or ordinance.
  - Any RAA revenues exceeding the amount to repay bonds during period exceeding the maximum maturity of RAA financing shall be returned to the taxing districts in the RAA on a pro-rata basis. Such revenue is not included in the maximum p-tax budget calculations.

# HB - 113 – AMENDS PROPERTY TAX CIRCUIT BREAKER PROCEDURES (63-707)

- Eliminates the requirements for the BOE to approve circuit breaker applications.
- Changes the due date of the preliminary roll from the 4<sup>th</sup> Monday in June to June 1.
- Changes the date for Commission notice of disapproval from the 4<sup>th</sup> Monday in October to the 2<sup>nd</sup> Monday in October.
- The time allowed to appeal a Commission denial is changed from 14 days to 28 days.

# HB-124 – NEW CONSTRUCTION ROLL

- Amends I.C. §63-301A
  - Puts a time limit of 5 years,
    - on how far back negative adjustments(BTA or court ordered and change in land use classification) to the new construction roll can go, and,
    - on how far back a taxing district can go back to recover previously omitted new construction value.
- Does not effect new construction roll for 2011.
- Signed by Gov: 4/5/11 – Effective 7/1/11.

# HB – 239-AMENDS THE PUBLIC RECORDS ACT (9-34D, I. C.) TO EXEMPT CERTAIN DOCUMENTS FROM DISCLOSURE

- Documents that are automatically exempt from disclosure:
  - Personal property declarations
  - Centrally Assessed Operators Statements
- Documents that are exempt if the document is so marked:
  - Confidential commercial or financial documents, including
  - Trade secrets
- Exempt means that the documents can not be released without the consent of the taxpayer. Exceptions are provided allowing release to officials, under a continuing claim of confidentiality, in order to carry out proceedings such as appeals.