

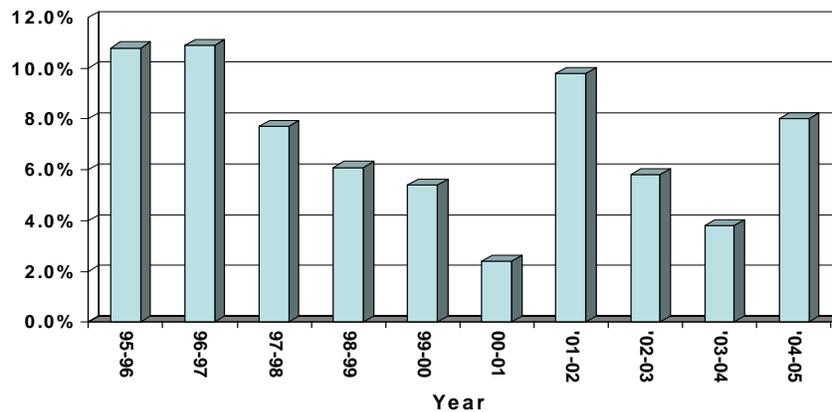
2005 MARKET VALUES AND PROPERTY TAXES and the Effects of the Homeowner's Exemption

Total budgeted property taxes for 2005 are \$1,239.1 million and have increased \$98.4 million or 8.6% since 2004. This year's rate of increase is considerably higher than last year's 5.5% increase and is the highest since 1994. With continuing strong growth and inflation in the residential property sector and limited inflation of existing property in most other major sectors, most of the increase during the past two years will be paid by the residential property sector. This report attempts, whenever possible, to distinguish between property tax increases that affect existing property and those related to newly constructed property. When increases in tax are attributed to inflation in existing property values, such increases occurs for two reasons:

1. the proportion of value represented by one property sector has increased because inflation in taxable value in that sector exceeded inflation in other sectors; and
2. school M&O multipliers generated additional property tax revenue for school districts in areas with inflating taxable property value.

Other than in these two situations, inflation in taxable property value does **not** directly equate to increasing property taxes because tax levies (rates) must be adjusted to comply with the 3% property tax budget increase cap. As indicated, school maintenance and operation (M&O) funds are **not** constrained in this manner, but may grow as rapidly as the growth in taxable value of property. This growth lags taxable value growth by a full year, so school M&O funds increased only 8% in 2005. Next year's M&O growth is anticipated to be higher, reflecting something closer to the 14% overall rate of taxable value increase reported in 2004.

Annual Growth in School M&O Funds



Increases in dollars levied for all school funds and numbers of voter-approved school funds are shown in [Chart VI](#). Such school fund increases account for 21% of the overall property tax increase.

Many districts show increases in excess of 3%, despite the cap. The total net property tax increase of \$98.4 million can be broken down as shown in Table 1 below:

Table 1:

Major causes of increased property tax	Potential increase amount*
3% general cap	\$20.4 million
Increases in school bonds and school exempt levies other than M&O and judgments	\$17.6 million
Increases in judgment funds	\$ 4.7 million
Increases <decreases> in non-school bonds and voter-approved levies	\$ 4.5 million
Increase in school M&O property tax	\$ 21.6 million
Additional dollars available due to new construction	\$28.2 million
Additional dollars available due to annexation	\$3.7 million
Increase <decrease> due to new levies in 2003 or existing districts not levying in 2003	\$ 2.7 million
Net tax increase <decrease> due to use of Foregone Amount	\$ 0.6 million
Decrease due to Kootenai County and Nez Perce County property tax relief funds	\$ <5.6> million

*Only potential increases can be calculated for the 3% cap, new construction, and annexation. In some cases, districts have accumulated indicated amounts as "foregone" amounts, which were not levied, but may be recaptured as future property tax increases. Overall available foregone amounts decreased by \$0.6 million in 2005 to \$29.4 million. Most of this decrease reflects county government and community college district use of foregone amounts. This year the most significant use occurred in Canyon, Ada, and Blaine counties and North Idaho College.

[Chart VII](#) shows increases in exempt and non-exempt property tax budgets for all major types of taxing districts. Components of property tax budgets are designated "exempt" or "nonexempt" in terms of whether they are constrained by the 3% plus new construction cap. Bonds, overrides, plant facility funds, and emergency and certain other funds are considered exempt in this chart. The 6% increase shown in [Chart VII](#) for nonexempt county property taxes was less than the amount shown in 2004 mostly because of the \$5.6 million in property tax relief provided in Kootenai and Nez Perce counties due to the local sales taxes in these counties. At least half of the amount raised by these local sales taxes must be designated for property tax relief. With the expiration of the Kootenai County sales tax on December 1, 2005, this property tax relief amount will be much less in 2006.

Regardless of changes in budgeted property taxes, significant increases or decreases may occur when individual assessed values grow or decline more rapidly than typical values or when significant changes in specific taxing district budgets occur. [Charts VIII](#) and [IX](#) show average tax rates in each county in 2005 and compare these rates with 2004 average rates. In many cases inflation-driven property value increases were offset to a great extent by levy rate decreases. [Chart IX](#) further demonstrates the average effect of these changes on existing property. Table 2 lists many of the notable changes in property tax portions of taxing district budgets for 2005 in comparison to 2004. Additional information can be found in detailed budget reports available on request.

Table 2: Significant Property Tax Budget Changes in 2005

County	Taxing District	Description of Change	\$ Amount of Change
Ada / Canyon	Meridian School District 2	New Supplemental levy	5,000,000
Adams	Meadows Valley School District 11	New Supplemental levy	130,000
Adams	Council School District 13	New Bond	76,000
Benewah	St. Maries School District 41	Eliminated Plant Facilities Fund and Increased Supplemental levy	<174,000>
Benewah / Kootenai	Plummer School District 44	Eliminated Emergency levy	<57,000>
Bingham	Aberdeen School District 58	Increased Bond Fund	597,000
Bingham	Bingham County Ambulance District	New Override	115,000
Blaine	Ketchum Cemetery District	New Override	500,000
Blaine	Smiley Creek Fire District	New District	40,000
Boise	Wilderness Ranch Fire District	New District	85,000
Bonner	Lake Pend Oreille School District 84	New Emergency Fund	365,000
Bonner	West Bonner School District 83	New Emergency Fund	144,000
Bonner	Bonner County Ambulance District	New District	1,752,000
Bonner	Schweitzer Fire District	Eliminated Override	<220,000>
Bonneville	Bonneville School District 93	Increased Bond Fund	656,000
Canyon	Nampa City	New Bond	2,287,000
Canyon	Nampa School District 131	Increased Bond Fund	1,761,000

County	Taxing District	Description of Change	\$ Amount of Change
Canyon / Ada / Owyhee	Melba School District 136	New Supplemental	200,000
Canyon	Vallivue School District 139	Increased Supplemental and Emergency Funds	748,000
Caribou	Lund Cemetery District	New Override	1,600
Cassia	Raft River Fire District	Eliminated Override	<25,000>
Custer	Challis Cemetery District	Eliminated Override	<18,000>
Custer	Sawtooth Valley Fire District	New Bond	29,000
Elmore	County	New Bond	656,000
Elmore	Elmore County Ambulance District	New District	298,000
Franklin	Franklin Library District	Eliminated Override	<25,000>
Fremont	Fort Henry Mosquito Abatement District	New District	10,000
Gem / Boise	Emmett School District 221	Eliminated Supplemental	<35,000>
Gooding	Wendell School District 232	Eliminated Emergency Fund	<33,000>
Gooding / Twin Falls / Elmore	Bliss School District 234	New Bond Fund	116,000
Gooding	Gooding County Ambulance District	New District	264,000
Idaho / Adams	Grangeville School District 241	Eliminated Override	<1,555,000>
Idaho / Lewis	Kamiah School District 304	Increased Bond Fund	191,000
Jefferson / Madison	Jefferson School District 251	New Emergency Fund	345,000
Kootenai	County	Overall funds decreased due to additional property tax relief from county sales tax	<2,633,000>
Kootenai	Coeur d'Alene City	New Bond	1,100,000

County	Taxing District	Description of Change	\$ Amount of Change
Kootenai	Coeur d' Alene School District 271	Increased Supplemental and Plant Facilities funds and decreased emergency and bond funds	1,422,000
Kootenai	Post Falls School District 273	Increased Bond and Emergency funds	824,000
Kootenai / Benewah	Kootenai School District 274	New Emergency fund	95,000
Latah	Moscow City	Increased Bond fund	335,000
Latah	Troy Recreation District	New District	40,000
Lemhi	Salmon School District 291	Eliminated Supplemental	<250,000>
Lincoln / Jerome	Shoshone School District 312	New Emergency fund	60,000
Lincoln	Richfield School District 316	Eliminated Emergency Fund	<20,000>
Lincoln	Lincoln County Ambulance District	New District	98,000
Madison	Madison School District 321	Increased Bond, plant facilities, and emergency funds	1,065,000
Nez Perce	County	Decreased due to property tax relief due to county sales tax	<607,000>
Owyhee / Canyon	Marsing School District 363	Increased Bond fund	159,000
Owyhee / Canyon	Homedale School District 370	Increased Plant Facilities Fund	75,000
Owyhee / Canyon	Marsing Fire District	New Override	90,000
Payette	Fruitland School District 373	Increased Bond and Emergency funds	190,000
Power	Rockland School District 382	Increased Bond fund	31,000
Shoshone	Wallace School District 393	Increased Supplemental fund	365,000
Teton	Teton School District 401	Eliminated Emergency fund	<136,000>
Twin Falls	Twin Falls City	Eliminated Override	<250,000>
Twin Falls	Twin Falls School District 411	New Supplemental fund and eliminated Emergency fund	682,000

County	Taxing District	Description of Change	\$ Amount of Change
Twin Falls	Kimberly School District 414	New Supplemental fund and eliminated Emergency fund	132,000
Valley	McCall – Donnelly School District 421	Eliminated Emergency fund	<147,000>
Valley	Cascade School District 422	New Supplemental fund	170,000
Valley / Adams	McCall-Donnelly School District 421	Increased Bond fund and New Emergency fund	188,000
Washington / Adams	Cambridge School District 432	Decreased Bond fund	<55,000>

Overall exempt funds (excluding school M&O) increased \$27.4 million or 12.4% in 2005. This rate of growth is quite large in comparison to previous years. However, \$4.8 million of this amount reflects court-ordered repayments related to property valuation appeals, most of which occurred with respect to operating property. Aside from any new judgments, there is a potential for an additional \$2.3 million in property valuation judgment levies in 2006 to reimburse taxing districts for remaining judgment amounts that have been paid. Atypical, significant increases can also be found regarding school overrides (supplementals) and emergency funds (see [Chart VI](#)). Excluding school districts and judgments, voter-approved exempt property taxes still increased by about \$4.5 million.

Table 3: Summary of property tax increases during various periods

Period	Total Property Tax Increase (Million \$)	Total Percent Increase	Average Percent Change Per Year
1973-1978	100.0	84.0	+ 13.0
1978-1981	2.7	0.8	+ 0.3
1981-1994	408.9	268.5	+ 8.6
1994-1995	12.6	1.9	+ 1.9
1995-2000	250.0	37.6	+ 6.6
2000-2001	34.4	3.8	+ 3.8
2001-2004	192.3	20.2	+ 6.3
2005	98.4	8.6	+ 8.6

As shown in Table 3 above, since the early 1970s, the property tax system has undergone three significant changes, each of which has been accompanied by substantial tax relief. During the 1970s, the system was levy driven, meaning that taxes tended to expand at the rate of growth in assessed value. The 1978 – 1981 period saw state-funded, school-related tax relief and strict budget increase limitations or freezes. From

1982 until the early 1990s, budgets (and, toward the end of that period, levies) were permitted to grow by 5% each year. From 1992 – 1994, the only difference between the system in place and the levy-driven system of the 1970s was special advertising requirements. In 1995, some school M&O taxes were replaced with state funds and a 3% budget increase cap with certain growth exceptions was imposed. This system is still in place, but less growth in taxes occurred in 2001 because of the state’s replacement of agricultural equipment property taxes and various other state and local property tax relief mechanisms. From 2002 through 2004, with no new state-generated property tax relief, property tax growth mirrored the 1995 – 2000 period. However, property taxes increased at a faster rate in 2005, so this year has been separated from the others in Table 3.

Table 4: Five year distribution of property tax by major local unit of government

Unit of Government	2001 Taxes Mill.\$	2002 Taxes Mill.\$	2003 Taxes Mill.\$	2004 Taxes Mill.\$	2005 Taxes Mill.\$	% Ch. 04 – 05	% Ch. 01 – 05
County	210.7	228.7	247.6	263.4	281.1	+ 6.7	+ 33.4
City	210.7	225.2	231.4	246.0	270.0	+ 9.7	+ 28.1
School	408.1	441.1	467.7	487.8	529.7	+ 8.6	+ 29.8
Highway	51.9	53.3	56.7	60.3	65.2	+ 8.1	+ 25.6
All Other	67.1	73.0	77.7	83.3	93.4	+10.8	+ 39.2
TOTAL	948.5	1,021.3	1,081.1	1,140.8	1,239.1	+ 8.6	+ 30.6

As an interesting comparison to the property tax information in Table 4, it can be noted that general fund revenue, all of which is derived from non-property tax sources, grew 14.3% over the same period.

In addition to the summary information found in Table 4 above, detail concerning taxing district budgets is found in [Charts V, VI, and VII](#), attached to this report.

Typical Property Tax Rates

Statewide, there are several thousand unique combinations of taxing districts that may be levying property tax against a given parcel. This results in as many unique property tax rates. [Chart VIII](#) provides general tax rate guidance by listing average urban and rural rates calculated for each county and overall. Statewide, the highest property tax rate is in Wallace City, in Shoshone County, where the rate is 3.068%. The lowest rate is in one area of rural Blaine County, where the rate is 0.453%.

Analysis of major property tax trends in 2005

- Faster overall growth in statewide taxable value: 14.2% v. 6.6% in 2004, with continued and increasing emphasis on the residential sector.
 - Continued declining taxable value for timberland, and certain specific significant industrial properties (included in the commercial sector on [Chart I](#));
 - Relatively flat existing commercial / industrial sector values;
 - Flat operating property values;

- Increasing taxable value of mining properties, mostly due to operations in Custer County;
 - Increasing agricultural property taxable values;
 - More rapidly increasing taxable value for residential property, resulting in the residential share of total property taxes increasing from 57.7% in 2002 to 59.2% in 2003 to 61.6% in 2004, to 63.2% in 2005 (exceeding last year's all time high proportional share).
- Faster growth in taxable value results in lower property tax rates; property tax increases or decreases vary considerably by property type and region.
 - Overall weighted average property tax rate decreased from 1.460% in 2004 to 1.389% in 2005;
 - Timber property taxes decline;
 - Mining property taxes increase;
 - Agricultural property taxes increase to some extent;
 - Commercial property taxes increase in urban areas, but this reflects new construction, large annexations by cities, and expiration of the Nampa Urban Renewal District; existing commercial properties experience slight increases;
 - Residential property tax rates decrease, but values increase more rapidly resulting in significant overall property tax increases.
 - New construction remained very strong, absorbing some of the increase in property taxes, while inflation of existing property values was experienced mostly by residential property. For *existing* property, the following statewide tax changes are expected:
 - Typical residential property tax increases are expected to be about 7% for lower value residential property and about 11% for residential properties that are “topped out” with respect to the homeowner’s exemption;
 - Typical commercial/industrial property taxes are expected to be down about 2.5%;
 - Larger than expected increases will occur on a localized basis as a result of new or increased voter-approved bonds, other elective budget issues, or location in an area with a high concentration of property receiving the Qualified Investment Exemption (QIE) (which grew substantially in one county this year) or property with declining value.

Residential Property

The proportion of the property tax paid by residential taxpayers reached 63.2%, the highest share paid by this sector since this report series began in 1980, and a nearly two percentage point jump since 2004. Although part of this increase falls on newly constructed residential improvements, existing residential property values increased significantly, averaging about 13.6%. This year’s continued increase in residential property’s proportional share of all taxable value was due largely to the relatively faster growth (both inflation-driven and new construction-related) in this sector. The residential sector, as a whole, is expected to have a property tax increase of 11.5%. Extracting the share to be paid by newly constructed residences, and accounting for property tax levy rate decreases, existing residential property taxes will average increases of about 11% for higher value property (topped out on the homeowner’s exemption) and by about 7% for lower value property. In areas with significantly more inflation of residential values than values in other sectors, tax increases for existing residential property will exceed such otherwise typical (statewide) amounts. Increases will be even higher in areas near newly exempt or declining value property, and also for property subject to local voter-approved increases.

In addition, more owner-occupied residential property has become “topped out” with regard to the homeowner’s exemption. When analyzing individual property for tax changes, this factor is important.

Just over half (55%) of the owner-occupied residential improvements are still assessed below \$100,000 and therefore not “topped out” for their homeowners’ exemptions. However, to better account for the growing proportion of “topped out” residential properties, both higher and lower value residential properties have now been analyzed in [Chart III](#).

The total increase in taxable value for residential property was \$9.3 billion in 2005. New residential construction accounted for about ¼ (\$2.2 billion) of this increase.

As analyzed in this report, in addition to owner-occupied homes and mobile homes, residential property includes vacant land, nonowner-occupied houses, second and vacation homes, and rental housing consisting of up to four units (such as a four-plex).

Commercial and Industrial Property

The proportion of property taxes paid by the commercial and industrial property sector declined this year to its lowest share since 1982. This reflects very limited inflation related growth, lagging well behind such growth in the residential sector. The decline also resulted from expanded use of the Qualified Investment Exemption (QIE), which grew from \$229 million in value in 2004 to \$369 million in value in 2005.

Commercial construction continued to strengthen in 2004 and the 2005 property tax rolls reflect about \$1.1 billion in taxable value of commercial new construction. After adjusting for the expanded QIE, for non-QIE eligible properties there was a slight (about 1.25%) increase taxable value of existing commercial property. This is somewhat more inflation than in 2003 and 2004, when values in the commercial sector were flat or decreasing slightly despite strong new construction. Despite this inflation, aside from localized elective tax increases, and excluding individual parcels with decreasing taxable values (such as QIE eligible properties), property taxes on existing commercial and industrial parcels are expected to be down about 2.5% from 2004 amounts. This reflects the much stronger inflation-related growth in the taxable value of existing residential property and the resulting shift away from the commercial sector.

Urban commercial property values exhibited strong growth in 2004. Much of this resulted from significant annexations by cities in several counties, with the predominant annexations occurring in cities in Ada County. In addition, with the expiration of the Nampa Urban Renewal District, several hundred million dollars of taxable commercial value that previously had been excluded as part of the urban renewal increment has now been included, mostly in the urban commercial sector in Canyon County. Once compensation is made for these factors, it is apparent that existing urban commercial property values have increased only about 1.4% in taxable value since 2004.

Agricultural Property

Agricultural property values increased faster than usual in 2005, growing by 4.2%, compared to 1.1% in 2004. This represents the most rapid increase in value in this sector since 1997. Average agricultural property tax rates were flat in 2005. Hence, typical agricultural land property taxes should be up by about 3.7% this year. Despite this year’s increase, the share of property tax paid by the agricultural sector as a whole declined slightly to only 4.0% of total Idaho property taxes, the lowest share for agricultural property since this report series began in 1980. Farmland still accounts for at least 20% of the taxes in 8 of Idaho's 44 counties, however, and pays more than one-third of all property taxes in two counties (Clark and Lewis).

Mining Property

Mining property consists of mining equipment and net profit of mines and may include related industrial equipment. Total taxable value in this sector increased by \$113 million in 2005. This increase reflects the \$129 million increase in net profit of mines reported in Custer County, without which the sector as a whole would have decreased in taxable value. Mining property constitutes a significant proportion of taxable property in only two counties, Custer and Caribou, where it accounts for almost 30% of all property taxes.

Mining sector property taxes increased approximately 12.2% in 2005.

Operating Property

In total, operating property (generally utilities and railroads) values decreased 0.1% in 2005, after 3.9% and 3.1% decreases in 2004 and 2003. These value decreases predominantly resulted from unprecedented declines in the telecommunications sector, which has lost 1/4 of its taxable value since 2001.

Largely because of rate decreases due to increasing residential property values, operating property taxes declined by 3.8% in 2005. The proportional share of statewide taxable value represented by operating property declined to 4.0%, while the sector's share of statewide property taxes declined to 3.9%. This proportional share of taxes remains the lowest paid by the sector since tracking began in 1980. This would be true even if the telecommunication sector declines had not occurred. Table 5 shows value changes since 2001 for each operating property sector.

Table 5: Change in Operating Property Values by Sector, 2001 - 2005

Sector	Amount of Value Change (\$ Millions)	Percent Change in Value
Electrics	29.5	2.1
Non-Utility Generators	75.3	41.4
Water Distribution	9.7	11.9
Water Transportation	(0.2)	(3.1)
Petroleum Pipelines	2.8	12.9
Gas Distribution	17.2	9.6
Gas Transmission	32.8	10.1
Railroads	64.8	19.4
Railcar Fleets	(1.4)	(1.7)
Telecommunications – local exchange	(134.3)	(17.5)
Telecommunications – Coops and long distance	(108.4)	(44.9)
Total taxable value	(12.3)	(0.3)

Only one county (Clark) derives over 20% of its property taxes from operating property. In twelve counties, however, operating property contributes at least 10% of all property taxes. All of the counties with significant operating property shares are rural counties with limited overall taxable value.

This year's value changes for operating property reflect economic conditions within the component industries and particularly within the telecommunications sector. Although there continues to be uncertainty regarding the intangibles exemption, the amount of this exemption has not changed appreciably since 2001. The value of other exemptions applicable to operating property has increased by \$106 million, or 20.5% since 2001.

Timber Property

The timber property sector includes land and equipment components, with most of the value represented by land. Sector wide values decreased 5.8% in 2005. Taxable values of timberland have been in decline since 2000 and that pattern continued (as expected) this year. The decreases reflect changing economic conditions, in conjunction with previous legislative changes. Under current timber land valuation protocols, a more limited decrease is anticipated in 2006.

Timber property taxes decreased 12.1% and the sector now represents only 0.7% of total property taxes.

[Chart I](#)

[Chart I](#) compares 2004 and 2005 property taxes, rates, and taxable values by major category of property, and by urban or rural location. Values correspond to those available in October, 2005 and will differ slightly from calendar year values. Because of this discrepancy and because there are always delinquencies, as well as penalties and interest paid on prior delinquencies, taxes shown on this chart represent amounts *budgeted* by taxing districts, not amounts actually *collected*.

Tax revenue attributable to certain types of districts that do not levy traditional property taxes is *not* included in these figures. Forest protection associations, TV translator districts, irrigation districts, urban renewal districts, and districts that could levy property taxes, but charge fees instead, are examples of excluded authorities.

The residential property category is by far the largest and includes two major subsectors: owner-occupied and nonowner-occupied. All reports since 1993 include an analysis of each of these subgroups for which the breakdown of value is estimated using subjective indices. In 1997, owner and nonowner-occupied value assignment procedures were redone, attributing more of the residential value to the owner-occupied subsector. This change was based partly on the premise that the previous methodology did not completely take into account the proportionally lower homeowner's exemption available to owners of residential improvements valued at more than \$100,000. Value apportionment procedures underwent further refinement in 2001 for similar reasons. A more major methodology change was implemented in 2002, the first year actual owner and nonowner-occupied residential property value data became available from most county records. This system was refined considerably in 2003. Subsequent to the release of 2003 information, property category assignment errors were discovered and corrected prior to completion of the 2004 report. Further minor methodology revisions have been undertaken in 2005 and this year's report incorporates much more actual assessment data, as opposed to formula driven estimates. Because of these adjustments, however, long-term comparisons using 2002 and prior versions of [Chart I](#) should only be considered valid for the entire residential sector, not for any of the sub-sectors (owner and nonowner-occupied).

[Chart II](#)

[Chart II](#) demonstrates the effects of the homeowner's exemption on taxes paid by each category of property in 2005 by showing how these taxes would change if there were *no* homeowner's exemption.

In 2005, homeowners paid \$105.6 million less in property taxes than they would have without this exemption. This figure is similar to the 2004 amount.

Assuming that total taxes budgeted remain the same with or without the exemption, taxes on non-eligible property are higher with the exemption in place. [Chart II](#) demonstrates this effect.

The two largest traceable exemptions are the homeowner's exemption, which reduced value by \$14,048 million, and the speculative value exemption, which applies to agricultural and timberland, and reduced value by \$13,716 million in 2005. The speculative value exemption tends to vary more from year to year because it reflects agricultural and timber property *market* value, which tends to change faster than the *taxable* value of this type of property.

Exemptions, such as the homeowner's or speculative value exemption, do not change the net total amount of property taxes budgeted or collected, except in school districts and the moderate number of other cases where taxing district levy limits are approached. In all other cases, barring an influx of state or other replacement revenue, tax rates merely increase to offset lower values.

[Chart III](#)

[Chart III](#) shows the effects of the general tax increase and the homeowner's exemption on individual properties of different types using statewide average urban and rural tax rates appropriate for each category. Since 1992, this report has attempted to consider the effects of inflation on property values and taxes.

Currently, the inflation component used for typical residential property value is 13.6%, while a 1.25% inflation component was used for commercial property and 4.2% inflation was applied to farmland taxable values this year.

Under these assumptions, a typical commercial property taxpayer should have seen a slight decrease in property taxes on existing property in 2005. In rural areas, typical agricultural property taxes for a farm including an owner-occupied home of the value used increased 5.6%, assuming the same inflation rate and value for the farm house as was used for the overall residential sector. Increases for owner-occupied residential properties that were fully eligible for the homeowner's exemption in 2004, but were "topped out" and received limited homeowners' exemptions in 2005 are about 11.7% in urban areas and 10.1% in rural areas. Increases for owner-occupied residential properties that were *not* topped out are estimated to be 7.9% in urban areas and 6.5% in rural areas.

This chart also presents the hypothetical effects of complete elimination of the homeowner's exemption. Residential taxes obviously would rise significantly, while nonresidential taxes would be somewhat reduced. The magnitude of the savings that would be experienced by nonresidential property is smaller than the impact on residential property. This is because the value of all property currently eligible for the exemption is less than the value of nonexempt categories (commercial, operating, certain ineligible residential, etc.).

Homeowner's exemption effects shown in [Chart III](#) will also vary depending on land/improvement ratios of any eligible property and farm size. Higher proportionate residential land values will reduce the percent of tax reduction granted; improvements (homes) valued in excess of \$100,000 will also receive less benefit because of the \$50,000 limit on the exemption. Larger farms, and those without an owner-occupant, would tend to have a greater decrease in taxes than shown, if the homeowner's exemption were eliminated.

[Chart IV](#)

[Chart IV](#) indicates the percent of the property taxes paid by each category of property in each county. From these percentages, counties with significant shares of tax paid by particular categories can be determined.

Additional Charts

Charts containing property tax budget and market value information follow the narrative portion of this report. The attachment entitled "2005 Property Tax Analysis Charts" provides a complete listing of charts discussed in this narrative and other charts that analyze the exempt and non-exempt budgets of taxing districts, comparing 2005 amounts with those submitted in 2004.

Property tax data presented throughout this report has been compiled from budget reports submitted by taxing districts to counties and then to the Idaho State Tax Commission. Valuation information and data that enabled owner and nonowner-occupied residential property to be distinguished was submitted by counties.

Alan S. Dornfest
Property Tax Policy Supervisor
December 9, 2005

2005 Property Tax Analysis Charts

Chart	Title
<u>I</u>	Comparison of 2004 and 2005 Taxable Market Value and Estimated Property Tax Collections by Category of Property.
<u>II</u>	Effects of 2005 Homeowner's Exemption
<u>III</u>	Comparison of 2004 and 2005 Property Taxes and Effects of 2005 Homeowner's Exemption on Individual Property
<u>IV</u>	Percent of Total 2005 Property Taxes Paid by Each Major Category of Property
<u>V</u>	Comparison of 2004 – 2005 Property Tax by District Type
<u>VI</u>	School Property Taxes by Fund Comparison of Property Tax Budgets 2004 – 2005
<u>VII</u>	Comparison of Property Tax Budget 2004 – 2005 by Type of Taxing District (exempt & non-exempt funds)
<u>VIII</u>	2005 Average Property Tax Rates
<u>IX</u>	Change in Taxes on Existing Property and Changes in Average Tax Rate

Chart I
Comparison of 2005 and 2004 Taxable Market Value and
Estimated Property Tax Collections by Category of Property

12/05/2005

Category of Property	2005 Market Value Including 2004 Sub. Roll	% of Market Value in Category	% Change in Market Value* 2004/2005	Estimated 2005 Tax Rate	Estimated 2005 Tax (\$)	% of Tax in Category	% Change in Taxes* 2004/2005
Primary Residential:							
Urban owner-occupied	22,355,823,731	25.0%	19.8%	1.656%	\$370,211,608	29.9%	13.8%
Rural owner-occupied	12,912,139,192	14.4%	14.0%	1.141%	\$147,323,044	11.9%	6.7%
Subtotal	35,267,962,923	39.4%	17.6%	1.467%	\$517,534,652	41.8%	11.7%
Other Residential:							
Urban nonowner-occupied	11,590,461,369	13.0%	18.5%	1.320%	\$152,946,025	12.3%	11.9%
Rural nonowner-occupied	12,460,026,479	13.9%	21.6%	0.908%	\$113,174,523	9.1%	10.5%
Subtotal	24,050,487,849	26.9%	20.1%	1.107%	\$266,120,547	21.5%	11.3%
Residential subtotal	59,318,450,772	66.3%	18.6%	1.321%	783,655,199	63.2%	11.5%
Commercial:							
Urban	17,667,908,361	19.8%	11.2%	1.689%	\$298,487,106	24.1%	7.1%
Rural	3,755,192,439	4.2%	0.6%	1.243%	\$46,693,087	3.8%	-3.1%
Subtotal	21,423,100,800	24.0%	9.2%	1.611%	\$345,180,193	27.9%	5.6%
Agricultural:							
	3,959,352,050	4.4%	4.2%	1.241%	\$49,147,268	4.0%	3.7%
Timber:							
	800,501,875	0.9%	-5.8%	1.161%	\$9,290,544	0.7%	-12.1%
Mining:							
	383,438,143	0.4%	* 42.1%	0.998%	\$3,826,075	0.3%	12.2%
Real & Personal:							
Subtotal	85,884,843,640	96.0%	15.2%	1.387%	\$1,191,099,280	96.1%	9.2%
Operating:							
Urban	1,024,672,800	1.1%	1.4%	1.694%	\$17,355,031	1.4%	-4.2%
Rural	2,529,035,152	2.8%	-0.7%	1.214%	\$30,693,891	2.5%	-3.6%
Subtotal	3,553,707,952	4.0%	-0.1%	1.352%	\$48,048,922	3.9%	-3.8%
Total Urban	52,638,866,261	58.9%	16.2%	1.594%	\$838,999,770	67.7%	10.7%
Total Rural	36,799,685,331	41.1%	12.1%	1.087%	\$400,148,432	32.3%	4.6%
Grand Total	89,438,551,592	100.0%	14.5%	1.385%	\$1,239,148,202	100.0%	8.6%

Values do not include urban renewal increments.

* = Mostly due to increased net profit of mines in Custer County.

Chart II
Effects of the 2005 Homeowner's Exemption
Values and Taxes Assuming NO Homeowner's Exemption

12/05/2005

Category of Property	2005 Market Value Without Homeowner's Exemption (\$)	% of Market Value in Category	% Change in total Market Value* 2004/2005	Estimated 2005 Tax Rate w/o Homeowner's Exemption	Estimated 2005 Tax w/o Homeowner's Exemption (\$)	% of Tax in Cat.	Changes in 2005 Taxes if NO Homeowner's Exemption	
							% change:	\$ change:
Primary Residential:								
Urban owner-occupied	31,660,252,392	30.6%	16.2%	1.419%	\$449,135,968	36.2%	21.3%	78,924,360
Rural owner-occupied	17,655,812,354	17.1%	12.0%	0.986%	\$174,038,388	14.0%	18.1%	26,715,344
Subtotal	49,316,064,746	47.7%	14.7%	1.264%	\$623,174,355	50.3%	20.4%	105,639,703
Other Residential:								
Urban nonowner-occupied	11,590,461,369	11.2%	19.3%	1.136%	\$131,690,937	10.6%	-13.9%	(21,255,087)
Rural nonowner-occupied	12,460,026,479	12.0%	19.0%	0.804%	\$100,120,200	8.1%	-11.5%	(13,054,323)
Subtotal	24,050,487,849	23.2%	19.1%	0.964%	\$231,811,137	18.7%	-12.9%	(34,309,410)
Residential subtotal	73,366,552,595	70.9%	16.1%	1.165%	854,985,493	69.0%	9.1%	71,330,293
Commercial:								
Urban	17,667,908,361	17.1%	10.9%	1.418%	\$250,543,814	20.2%	-16.1%	(47,943,292)
Rural	3,755,192,439	3.6%	1.1%	1.055%	\$39,626,442	3.2%	-15.1%	(7,066,645)
Subtotal	21,423,100,800	20.7%	9.1%	1.354%	\$290,170,257	23.4%	-15.9%	(55,009,937)
Agricultural:	3,959,352,050	3.8%	4.2%	1.049%	\$41,531,617	3.4%	-15.5%	(7,615,651)
Timber:	800,501,875	0.8%	-5.8%	1.012%	\$8,097,633	0.7%	-12.8%	(1,192,911)
Mining:	383,438,143	0.4%	*42.1%	0.909%	\$3,486,250	0.3%	-8.9%	(339,825)
Real & Personal								
Subtotal	99,932,945,463	96.6%	13.9%	1.199%	\$1,198,271,250	96.7%	0.6%	7,171,970
Operating:								
Urban	1,024,672,800	1.0%	1.4%	1.424%	\$14,589,120	1.2%	-15.9%	(2,765,911)
Rural	2,529,035,152	2.4%	-0.7%	1.039%	\$26,287,832	2.1%	-14.4%	(4,406,059)
Subtotal	3,553,707,952	3.4%	-0.1%	1.150%	\$40,876,952	3.3%	-14.9%	(7,171,970)
Total Urban	61,943,294,922	59.9%	14.9%	1.366%	\$845,959,840	68.3%	0.8%	6,960,070
Total Rural	41,543,358,493	40.1%	11.0%	0.946%	\$393,188,362	31.7%	-1.7%	(6,960,070)
Grand Total	103,486,653,415	100.0%	13.3%	1.197%	\$1,239,148,202	100.0%	0.0%	0

Values do not include urban renewal increments.

* = Mostly due to increased net profit of mines in Custer County.

Chart III
Comparison of 2004 & 2005 Property Taxes and
Effects of 2005 Homeowner's Exemption on Individual Property

12/05/2005

Location	Type of Property	2004 Property Taxes (\$)	2005 Property Taxes (\$)	% Change 2004 - 2005	2005 Tax Without Homeowner's Exempt. (\$)	% Change in 2005 Tax if NO Home. Exempt
Urban-Improvement value over \$100,000.	Owner-Occupied Residential*	1,115	1,245	11.7%	1,776	42.6%
Urban-Improvement value under \$100,000.	Owner-Occupied Residential*	915	988	7.9%	1,450	46.9%
Urban	Commercial	2,461	2,402	-2.4%	2,016	-16.1%
Rural-Improvement value over \$100,000	Owner-Occupied Residential*	779	858	10.1%	1,234	43.9%
Rural-Improvement value under \$100,000	Owner-Occupied Residential*	639	680	6.5%	1,008	48.1%
Rural	Commercial	1,813	1,768	-2.5%	1,500	-15.1%
Rural	Farm	3,451	3,645	5.6%	3,632	-0.4%

Farm property is assumed to be valued as follows:

	2004	2005	Taxable Value: (after Home. Ex.) 2005
	Agricultural land	\$212,138	\$221,065
2005 Improvement Value over \$100,000	\$92,556	\$105,144	\$55,144
Residential land	\$17,631	\$20,029	\$20,029
Total	\$322,325	\$346,237	\$296,237

Commercial property is valued as follows:

	2004	2005
Commercial real and personal property	\$140,396	\$142,151

Residential property is valued as follows:

	2004	2005	Taxable Value: (after Home. Ex.) 2005
	2005 Improvement Value over \$100,000		
Owner-occupied house	\$92,556	\$105,144	\$55,144
Residential land	\$17,631	\$20,029	\$20,029
Total	\$110,187	\$125,172	\$75,172
2005 Improvement Value under \$100,000			
Owner-occupied house	\$75,000	\$85,200	\$42,600
Residential land	\$15,000	\$17,040	\$17,040
Total	\$90,000	\$102,240	\$59,640

Inflation Adjustments

Owner Occupied Residential values have been inflated by 13.6% in 2005;
Commercial values have been inflated by 1.25% in 2005.
The remainder of residential and commercial growth is attributed to new construction.
Farm land values have been inflated 4.2% in 2005.

Chart IV
Percent of Total 2005 Property Taxes Paid by Each Major Category of Property

12/05/2005

County	Residential Property:			Commercial & Industry:			Farms Total	Timber Total	Mining Total	All Real & Personal Subtotal	Operating Property:		Subtotal
	Urban	Rural	Subtotal	Urban	Rural	Subtotal					Urban	Rural	
ADA	54.2%	10.3%	64.5%	31.8%	1.0%	32.9%	0.3%	0.0%	0.0%	97.7%	1.4%	0.8%	2.3%
ADAMS	11.2%	49.0%	60.2%	5.5%	6.8%	12.2%	8.2%	3.8%	0.0%	84.5%	0.5%	15.1%	15.5%
BANNOCK	53.2%	9.4%	62.7%	30.7%	1.0%	31.6%	1.1%	0.0%	0.0%	95.4%	2.3%	2.3%	4.6%
BEAR LAKE	24.6%	41.6%	66.3%	7.7%	1.1%	8.8%	9.9%	0.0%	0.0%	85.1%	1.5%	13.4%	14.9%
BENEWAH	17.5%	30.7%	48.2%	12.6%	7.6%	20.1%	7.0%	19.1%	0.2%	94.6%	0.9%	4.5%	5.4%
BINGHAM	26.5%	26.4%	53.0%	15.3%	10.7%	26.0%	14.4%	0.0%	0.0%	93.4%	1.1%	5.5%	6.6%
BLAINE	56.0%	32.8%	88.8%	9.1%	1.1%	10.2%	0.4%	0.0%	0.0%	99.5%	0.2%	0.4%	0.5%
BOISE	10.5%	73.4%	83.9%	5.0%	4.0%	8.9%	2.0%	1.9%	0.0%	96.7%	0.6%	2.8%	3.3%
BONNER	20.1%	55.3%	75.4%	12.0%	3.1%	15.2%	1.6%	1.9%	0.0%	94.1%	1.1%	4.8%	5.9%
BONNEVILLE	42.8%	14.7%	57.5%	34.1%	5.0%	39.1%	1.8%	0.0%	0.0%	98.4%	0.9%	0.8%	1.6%
BOUNDARY	14.5%	34.3%	48.8%	9.2%	8.3%	17.5%	8.0%	5.9%	0.0%	80.3%	2.0%	17.7%	19.7%
BUTTE	13.0%	42.0%	54.9%	9.0%	8.9%	17.9%	21.2%	0.0%	0.0%	94.1%	0.5%	5.4%	5.9%
CAMAS	16.6%	45.5%	62.1%	7.5%	4.1%	11.6%	20.4%	0.0%	0.0%	94.1%	0.7%	5.2%	5.9%
CANYON	41.6%	21.0%	62.6%	27.2%	4.5%	31.7%	3.6%	0.0%	0.0%	97.9%	1.0%	1.1%	2.1%
CARIBOU	15.7%	9.9%	25.7%	10.9%	7.3%	18.1%	14.2%	0.0%	29.6%	87.6%	1.3%	11.1%	12.4%
CASSIA	20.2%	20.1%	40.3%	16.8%	16.3%	33.1%	21.3%	0.0%	0.0%	94.7%	1.1%	4.2%	5.3%
CLARK	7.5%	8.3%	15.8%	7.0%	12.3%	19.3%	42.7%	0.0%	0.1%	77.8%	1.5%	20.6%	22.2%
CLEARWATER	22.6%	21.2%	43.7%	10.5%	3.2%	13.7%	3.3%	35.4%	0.0%	96.2%	1.3%	2.5%	3.8%
CUSTER	13.4%	35.9%	49.3%	9.2%	3.0%	12.2%	7.4%	0.0%	28.9%	97.8%	0.3%	1.9%	2.2%
ELMORE	41.5%	22.4%	63.9%	12.9%	5.4%	18.3%	5.1%	0.0%	0.0%	87.4%	1.5%	11.2%	12.6%
FRANKLIN	35.3%	23.8%	59.0%	11.3%	3.1%	14.4%	15.9%	0.0%	0.3%	89.7%	2.3%	8.0%	10.3%
FREMONT	21.4%	56.0%	77.4%	7.2%	3.1%	10.3%	8.8%	0.1%	0.1%	96.6%	0.7%	2.7%	3.4%
GEM	26.4%	47.8%	74.2%	11.1%	4.3%	15.4%	7.6%	0.1%	0.0%	97.3%	0.5%	2.2%	2.7%
GOODING	23.1%	24.5%	47.6%	12.6%	11.4%	24.0%	19.4%	0.0%	0.0%	91.0%	0.8%	8.2%	9.0%
IDAHO	21.2%	38.0%	59.3%	12.4%	7.8%	20.3%	13.0%	4.3%	0.1%	97.0%	0.6%	2.4%	3.0%
JEFFERSON	20.6%	43.2%	63.8%	9.3%	6.7%	16.0%	14.9%	0.0%	0.0%	94.7%	1.0%	4.3%	5.3%
JEROME	21.6%	22.2%	43.7%	21.4%	11.0%	32.3%	16.9%	0.0%	0.0%	93.0%	0.6%	6.4%	7.0%
KOOTENAI	39.5%	33.1%	72.7%	19.4%	2.4%	21.8%	0.5%	0.7%	0.0%	95.7%	2.7%	1.6%	4.3%
LATAH	42.9%	16.4%	59.3%	24.0%	2.3%	26.3%	6.6%	4.3%	0.0%	96.5%	1.8%	1.7%	3.5%
LEMHI	24.5%	37.4%	61.9%	16.2%	4.1%	20.3%	14.4%	0.0%	0.1%	96.7%	0.7%	2.6%	3.3%
LEWIS	26.0%	12.1%	38.1%	14.6%	2.8%	17.4%	37.4%	3.5%	0.0%	96.3%	1.4%	2.3%	3.7%
LINCOLN	24.4%	15.6%	40.0%	9.5%	10.2%	19.8%	22.2%	0.0%	0.1%	82.1%	1.3%	16.6%	17.9%
MADISON	26.6%	21.3%	47.9%	36.5%	5.8%	42.3%	7.1%	0.0%	0.0%	97.3%	0.9%	1.8%	2.7%
MINIDOKA	25.5%	23.3%	48.7%	20.2%	8.7%	28.9%	17.0%	0.0%	0.0%	94.7%	1.2%	4.1%	5.3%
NEZ PERCE	46.4%	6.5%	52.9%	28.9%	11.5%	40.4%	3.1%	0.2%	0.0%	96.6%	2.5%	0.9%	3.4%
ONEIDA	29.6%	21.0%	50.6%	12.8%	2.4%	15.2%	26.2%	0.0%	0.7%	92.7%	1.0%	6.4%	7.3%
OWYHEE	18.2%	26.9%	45.1%	8.0%	8.2%	16.2%	27.2%	0.0%	0.3%	88.9%	0.6%	10.6%	11.1%
PAYETTE	38.2%	23.5%	61.7%	17.9%	6.1%	24.0%	9.9%	0.0%	0.0%	95.6%	1.4%	3.0%	4.4%
POWER	13.7%	10.0%	23.7%	7.7%	34.1%	41.7%	17.3%	0.0%	0.0%	82.7%	0.8%	16.5%	17.3%
SHOSHONE	31.2%	19.5%	50.7%	14.7%	6.1%	20.8%	0.4%	16.0%	1.2%	89.0%	3.2%	7.8%	11.0%
TETON	18.2%	62.3%	80.5%	8.6%	3.7%	12.3%	5.4%	0.0%	0.0%	98.2%	0.2%	1.6%	1.8%
TWIN FALLS	38.0%	18.6%	56.6%	27.4%	2.9%	30.3%	8.6%	0.0%	0.0%	95.5%	1.2%	3.3%	4.5%
VALLEY	32.9%	55.5%	88.4%	7.2%	2.1%	9.3%	0.7%	0.6%	0.0%	99.0%	0.2%	0.8%	1.0%
WASHINGTON	31.2%	18.5%	49.6%	13.0%	3.8%	16.9%	17.6%	0.0%	0.0%	84.1%	1.0%	14.9%	15.9%

Chart V:

Comparison of 2004 - 2005 Property Tax by District Type				
District Category December 5, 2005	Property Tax		%	\$
	2004	2005	Inc/Dec	Inc/Dec
County	263,389,101	281,065,595	6.7%	17,676,494
City	245,985,972	269,807,700	9.7%	23,821,728
School	487,764,864	529,685,837	8.6%	41,920,973
Ambulance	10,670,572	14,043,803	31.6%	3,373,231
Auditorium	11,258	11,476	1.9%	218
Cemetery	2,962,382	3,613,424	22.0%	651,042
Extermination	608,645	662,371	8.8%	53,726
Fire	34,939,908	37,449,417	7.2%	2,509,509
Flood Control	382,548	416,857	9.0%	34,309
Roads & Highways	60,279,996	65,170,434	8.1%	4,890,438
Hospital	6,585,635	6,977,222	5.9%	391,587
Junior College	8,778,302	10,519,294	19.8%	1,740,992
Library	12,084,705	12,934,046	7.0%	849,341
Mosquito Abatement	1,276,058	1,426,497	11.8%	150,439
Port	450,000	450,000	0.0%	-
Recreation	2,637,986	2,845,613	7.9%	207,627
Sewer Incl Rec Sewer	570,524	576,064	1.0%	5,540
Sewer & Water	1,302,297	1,404,646	7.9%	102,349
Water	76,096	80,906	6.3%	4,810
Watershed	8,942	7,000	-21.7%	(1,942)
Total:	1,140,765,791	1,239,148,202	8.6%	98,382,411

Chart VI:

12/05/05

2005 School Property Taxes by Fund Comparison of 2004 - 2005 School Property Taxes					
Fund	2004 \$ AMOUNT	2005 \$ AMOUNT	% of Total	\$ CHANGE 2004 - 2005	% Difference
General M&O	271,928,766	293,538,741	55.42%	21,609,975	7.95%
Tort	5,045,213	5,285,719	1.00%	240,506	4.77%
Tuition	387,735	405,454	0.08%	17,719	4.57%
Bonds	93,376,655	98,407,643	18.58%	5,030,988	5.39%
Cosa	549,840	578,583	0.11%	28,743	5.23%
Emergency	11,598,365	13,841,628	2.61%	2,243,263	19.34%
63-1305 Judgment	87,606	2,551,818	0.48%	2,464,212	2812.83%
Override	67,948,098	76,716,455	14.48%	8,768,357	12.90%
Plant Facility	36,842,592	38,359,796	7.24%	1,517,204	4.12%
TOTALS:	487,764,870	529,685,837	100.00%	41,920,967	8.59%

2004 - 2005 Comparison of M&O and Voter Approved Exempt Funds used by Schools		
Fund	2004	2005
M&O	114	114
Bond	81	83
Plant Facility	58	56
Override	55	57

Chart VII:

Comparison of Property Tax Budgets 2004 - 2005 by Type of Taxing District					
Revised: 1/12/2006					
District	2004 Dollars	2005 Dollars	2004 - 2005 Change		% Total 2005 Property Tax
			Dollars	Percent	
County	263,389,101	281,065,595	17,676,494	6.71%	22.68%
City	245,985,972	269,807,700	23,821,728	9.68%	21.77%
School	487,764,864	529,685,837	41,920,973	8.59%	42.75%
Cemetery	2,962,382	3,613,424	651,042	21.98%	0.29%
Fire	34,931,835	37,449,417	2,517,582	7.21%	3.02%
Highway	60,279,996	65,170,434	4,890,438	8.11%	5.26%
Hospital	6,585,635	6,977,222	391,587	5.95%	0.56%
Junior College	8,778,302	10,519,294	1,740,992	19.83%	0.85%
Library	12,084,705	12,934,046	849,341	7.03%	1.04%
Other	17,994,926	21,919,007	3,924,081	21.81%	1.77%
Totals:	1,140,757,718	1,239,141,976	98,384,258	8.62%	100.00%

Comparison of Property Tax Budgets 2004 - 2005 by Type of Taxing District Exempt - Non Exempt Fund Comparison Only								
District	Exempt Property Tax Funds				Non Exempt Property Tax Funds*			
	2004 Dollars	2005 Dollars	2004 - 2005 Change		2004 Dollars	2005 Dollars	2004 - 2005 Change	
			Dollars	Percent			Dollars	Percent
County **	4,570,361	5,521,699	951,338	20.82%	258,818,740	275,543,896	16,725,156	6.46%
City	3,222,001	7,065,205	3,843,204	119.28%	242,763,971	262,742,495	19,978,524	8.23%
School	209,853,310	230,455,923	20,602,613	9.82%	277,911,554	299,229,914	21,318,360	7.67%
Cemetery	74,320	574,223	499,903	672.64%	2,888,062	3,039,201	151,139	5.23%
Fire	1,138,266	1,045,009	(93,257)	-8.19%	33,793,569	36,404,408	2,610,839	7.73%
Highway	0	227,714	227,714	N/A	60,279,996	64,942,720	4,662,724	7.74%
Hospital	1,137,961	1,178,675	40,714	3.58%	5,447,674	5,798,547	350,873	6.44%
Junior College	0	23,155	23,155	N/A	8,778,302	10,496,139	1,717,837	19.57%
Library	1,123,850	1,201,164	77,314	6.88%	10,960,855	11,732,882	772,027	7.04%
Other	731,606	837,757	106,151	14.51%	17,263,320	21,081,250	3,817,930	22.12%
Totals:	221,851,675	248,130,524	26,278,849	11.85%	918,906,043	991,011,452	72,105,409	7.85%

** = The original 2004 number was revised to better account for the Kootenai County Property Tax Relief fund of 1,179,313 and a \$66,337 63-1305 Judgment fund.

* School Districts' M&O budgets are included in these figures.

Chart VIII

2005 AVERAGE PROPERTY TAX RATES			
Corrected: 11/9/2005			
COUNTY	AVERAGE URBAN %	AVERAGE RURAL %	OVERALL AVERAGE PROP. TAX %
Ada	1.631%	1.418%	1.602%
Adams	1.712%	1.153%	1.215%
Bannock	2.340%	1.423%	2.151%
Bear Lake	1.349%	0.937%	1.043%
Benewah	1.615%	1.057%	1.175%
Bingham	2.231%	1.440%	1.685%
Blaine	0.561%	0.480%	0.534%
Boise	1.302%	1.005%	1.033%
Bonner	1.272%	0.883%	0.970%
Bonneville	1.961%	1.342%	1.784%
Boundary	1.469%	1.129%	1.199%
Butte	1.902%	1.298%	1.387%
Camas	1.964%	1.334%	1.439%
Canyon	2.159%	1.468%	1.890%
Caribou	2.139%	1.308%	1.451%
Cassia	1.786%	1.242%	1.395%
Clark	1.307%	1.033%	1.071%
Clearwater	1.890%	1.152%	1.320%
Custer	0.903%	0.632%	0.675%
Elmore	2.048%	1.209%	1.598%
Franklin	1.537%	1.181%	1.344%
Fremont	1.417%	1.031%	1.110%
Gem	1.382%	1.023%	1.127%
Gooding	1.944%	1.263%	1.422%
Idaho	1.324%	0.825%	0.937%
Jefferson	1.887%	1.228%	1.342%
Jerome	2.105%	1.370%	1.585%
Kootenai	1.402%	1.018%	1.223%
Latah	1.984%	1.546%	1.821%
Lemhi	1.487%	0.822%	0.997%
Lewis	2.129%	1.442%	1.671%
Lincoln	1.882%	1.253%	1.386%
Madison	1.610%	1.381%	1.517%
Minidoka	1.778%	1.219%	1.422%
Nez Perce	2.212%	1.280%	1.890%
Oneida	1.791%	1.176%	1.364%
Owyhee	1.781%	1.317%	1.399%
Payette	2.214%	1.371%	1.760%
Power	2.573%	1.706%	1.838%
Shoshone	2.329%	1.626%	1.910%
Teton	0.853%	0.703%	0.735%
Twin Falls	1.936%	1.281%	1.650%
Valley	0.928%	0.582%	0.686%
Washington	1.897%	1.274%	1.487%
Statewide:	1.570%	1.125%	1.387%

CHART IX

Change in Taxes on Existing Property and Change in Average Tax Rate						
County 12/05/2005	2004 County Ptax Total	2005 County Ptax less New Const. Total	% Change	2004 Overall Avg P-Tax %	2005 Overall Avg P-Tax %	% Change
Ada	354,629,733	369,530,472	4.03%	1.620%	1.602%	-1.109%
Adams	3,429,078	3,671,500	6.60%	1.222%	1.215%	-0.584%
Bannock	53,645,233	54,437,935	1.46%	2.210%	2.151%	-2.754%
Bear Lake	4,173,454	4,234,305	1.44%	1.068%	1.043%	-2.377%
Benewah	5,514,892	5,389,357	-2.33%	1.253%	1.175%	-6.671%
Bingham	19,682,112	20,650,226	4.69%	1.625%	1.685%	3.594%
Blaine	47,729,359	51,478,304	7.28%	0.588%	0.534%	-10.127%
Boise	5,489,676	5,769,316	4.85%	1.024%	1.033%	0.849%
Bonner	37,230,097	40,872,524	8.91%	1.104%	0.970%	-13.818%
Bonneville	64,799,808	65,756,531	1.45%	1.858%	1.784%	-4.134%
Boundary	7,637,834	7,200,991	-6.07%	1.428%	1.199%	-19.066%
Butte	2,252,697	2,328,543	3.26%	1.333%	1.387%	3.853%
Camas	1,307,302	1,375,819	4.98%	1.396%	1.439%	3.019%
Canyon*	101,681,700	102,937,019	1.22%	1.902%	1.890%	-0.636%
Caribou	8,561,326	8,307,179	-3.06%	1.515%	1.451%	-4.432%
Cassia	11,506,825	11,986,946	4.01%	1.345%	1.395%	3.582%
Clark	1,035,591	1,054,189	1.76%	1.053%	1.071%	1.633%
Clearwater	6,300,136	6,401,988	1.59%	1.330%	1.320%	-0.776%
Custer	3,519,231	3,732,777	5.72%	0.855%	0.675%	-26.770%
Elmore	13,556,933	14,912,122	9.09%	1.516%	1.598%	5.102%
Franklin	5,154,651	5,286,799	2.50%	1.311%	1.344%	2.449%
Fremont	10,263,597	10,171,107	-0.91%	1.122%	1.110%	-1.057%
Gem	7,025,987	7,115,208	1.25%	1.180%	1.127%	-4.711%
Gooding	8,340,616	9,250,395	9.84%	1.283%	1.422%	9.801%
Idaho	9,213,243	7,765,054	-18.65%	1.116%	0.937%	-19.093%
Jefferson	9,067,762	9,559,664	5.15%	1.313%	1.342%	2.197%
Jerome	12,328,865	12,691,749	2.86%	1.611%	1.585%	-1.628%
Kootenai	112,617,725	116,987,411	3.74%	1.496%	1.223%	-22.360%
Latah	25,852,438	26,504,832	2.46%	1.924%	1.821%	-5.644%
Lemhi	4,876,045	4,543,352	-7.32%	1.123%	0.997%	-12.674%
Lewis	3,225,981	3,358,298	3.94%	1.604%	1.671%	4.022%
Lincoln	3,005,353	3,193,856	5.90%	1.415%	1.386%	-2.109%
Madison	12,048,886	13,185,806	8.62%	1.418%	1.517%	6.507%
Minidoka	10,233,392	10,551,808	3.02%	1.403%	1.422%	1.314%
Nez Perce	38,449,094	38,870,107	1.08%	1.985%	1.890%	-5.027%
Oneida	2,571,165	2,619,975	1.86%	1.340%	1.364%	1.753%
Owyhee	5,142,838	5,538,675	7.15%	1.289%	1.399%	7.909%
Payette	12,710,999	13,102,577	2.99%	1.727%	1.760%	1.866%
Power	10,586,715	10,949,425	3.31%	1.784%	1.838%	2.931%
Shoshone	10,079,111	10,696,626	5.77%	1.954%	1.910%	-2.324%
Teton	5,961,710	6,092,386	2.14%	0.715%	0.735%	2.656%
Twin Falls	45,091,646	46,427,373	2.88%	1.641%	1.650%	0.545%
Valley	16,249,353	17,077,250	4.85%	0.885%	0.686%	-28.976%
Washington	6,985,602	7,284,951	4.11%	1.458%	1.487%	1.982%
Total:	1,140,765,791	1,193,326,474	4.40%	1.462%	1.387%	-5.476%

* = Canyon 2005 value reduced by the 2004 Northside U/R year end increment value.