

**2006 MARKET VALUES AND PROPERTY TAXES
and the Effects of the Homeowner's Exemption**

Total budgeted property taxes for 2006 are \$1,097.7 million and have decreased \$141.4 million or 11.4% since 2005. This year's decrease is the first since 1979 and reflects the August 25 special legislation that removed most school M&O from property tax. Although the school M&O legislation reduced property taxes by about \$260 million in comparison to what they would otherwise have been in 2006, overall decreases are less than this amount because they are in comparison to 2005 amounts and many taxing district budgets increased between 2005 and 2006. 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 usually can occur only if the proportion of value represented by one property sector has increased because inflation in taxable value in that sector exceeded inflation in other sectors. The exception to this is in the Boise School District, where the school district's charter permits a continued, but reduced, M&O multiplier to be applied to the taxable value. Changes in dollars levied for all school funds and numbers of voter-approved school funds are shown in Chart VI.

Other than in these 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.

Many districts show increases in excess of 3%, despite the cap. The total net property tax decrease of \$141.4 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 | \$20.8 million |
| Increases in school bonds and school exempt levies other than M&O and judgments | \$24.8 million |
| Decreases in judgment funds | <\$4.1> million |
| Decrease in school M&O | <\$241.6> million |
| Decrease in school funds to which agricultural replacement moneys were allocated | <\$3.7> million |
| Increase due to school budget stabilization fund | \$35.4 million |
| Increases in non-school bonds and voter-approved levies | \$ 0.7 million |
| Additional dollars available due to new construction | \$34.9 million |
| Additional dollars available due to annexation | \$1.6 million |

| | |
|-----------------------------------------------------------------------------------------|------------------|
| Increase <decrease> due to new levies in 2006 or existing districts not levying in 2006 | \$ 0.3 million |
| Net tax increase <decrease> due to use of Foregone Amount | <\$ 4.8> million |
| Decrease due to Kootenai County and Nez Perce County property tax relief funds | \$ <5.7> 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 increased by \$4.8 million in 2006 to \$34.2 million.

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. Chart VIII shows average tax rates in each county in 2006. Nearly all average rates are lower in 2006 than they were in 2005. This has occurred as a result of school M&O property tax reductions in conjunction with the largest single year market value increases ever noted. It is worth noting that most rates decreased despite the first increase in the homeowner's exemption since 1982.

Table 2 lists many of the notable changes in property tax portions of taxing district budgets for 2006 in comparison to 2005. Additional information can be found in detailed budget reports available on request. Except where there are substantial budget stabilization funds being levied, Table 2 does not reflect school M&O reductions.

Table 2: Significant Property Tax Budget Changes in 2005

| County | Taxing District | Description of Change | \$ Amount of Change |
|--------------|---------------------------------|---------------------------------|---------------------|
| Ada / Boise | Boise School District 1 | New (increased) Bond | 1,000,000 |
| Ada / Canyon | Meridian School District 2 | New (increased) Bond | 7,000,000 |
| Ada / Canyon | Meridian School District 2 | Increased emergency fund | 1,400,000 |
| Ada | Eagle Fire District | New Permanent Override | 750,000 |
| Ada / Canyon | Star Fire | New Permanent Override | 274,000 |
| Bannock | Marsh Valley School District 21 | Increased Plant Facilities Fund | 75,000 |
| Bannock | South Bannock Library District | New Permanent Override | 73,000 |
| Benewah | Benewah County Library District | New Permanent Override | 66,000 |

| County | Taxing District | Description of Change | \$ Amount of Change |
|--------------------------------|--------------------------------------|-------------------------------------------------------------------------------|----------------------------|
| Bingham | Snake River School District 52 | Decreased Plant Facilities and Bond Funds | <134,000> |
| Bingham | Aberdeen School District 58 | Decreased Bond and Supplemental funds | <117,000> |
| Bingham | Shelley School District 60 | Decreased various funds | <188,000> |
| Blaine | Blaine School District 61 | Eliminated M&O, Plant and Bond fund and established Budget Stabilization Fund | <1,200,000> |
| Blaine | Ketchum Cemetery District | Increased Override | 253,000 |
| Bonner | Lake Pend Oreille School District 84 | Eliminated Emergency Fund | 365,000 |
| Bonneville | Bonneville School District 93 | Increased Bond Fund | 4,100,000 |
| Bonneville | Bonneville/Alpine Fire District | Levied in 2006, not in 2005 | 1,300,000 |
| Butte / Custer | Butte School District 111 | Increased Bond Fund | 110,000 |
| Canyon | County | Eliminated Bond | <669,000> |
| Canyon | Nampa School District 131 | Increased Bond and Emergency Funds | 1,300,000 |
| Canyon | Wilder School District 133 | Decreased Bond Fund | <120,000> |
| Canyon | Middleton School District 134 | Increased various funds | 134,000 |
| Canyon / Ada / Owyhee | Melba School District 136 | Increased various funds | 148,000 |
| Canyon | Parma School District 137 | Increased Bond and New Emergency Funds | 216,000 |
| Canyon | Vallivue School District 139 | Increased Bond and Emergency Funds | 1,100,000 |
| Canyon | Middleton Recreation District | Levied in 2006, not in 2005 | 349,000 |
| Cassia | County | Eliminated Bond fund | <139,000> |
| Clearwater / Lewis / Nez Perce | Orofino School District 171 | Increased Override | 341,000 |

| County | Taxing District | Description of Change | \$ Amount of Change |
|--------------------------------------|-----------------------------------|-------------------------------------------------------|----------------------------|
| Elmore | Mountain Home School District 193 | Increased Bond and Plant and new Emergency fund | 696,000 |
| Elmore | Atlanta Highway District | New levy in 2006 | 23,000 |
| Franklin | Franklin Library District | New Override | 129,000 |
| Fremont | Fremont Library District | New Permanent Override | 152,000 |
| Gooding | Gooding School District 231 | Eliminated Emergency Fund | <129,000> |
| Gooding | Wendell School District 232 | New Override | 120,000 |
| Idaho / Adams | Grangeville School District 241 | New Override | 915,000 |
| Jefferson / Madison | Jefferson School District 251 | Decreased Bond Fund | <392,000> |
| Jerome / Lincoln / Gooding | Jerome School District 261 | Increased Bond Fund | 1,200,000 |
| Kootenai | Coeur d'Alene School District 271 | Eliminated Plant Facilities Fund | <6,000,000> |
| Latah | Moscow School District 281 | Eliminated Bond fund | <373,000> |
| Lemhi | County | Increased Bond Fund | 100,000 |
| Lemhi | Salmon School District 291 | New Supplemental and Reduced Plant Facilities fund | 230,000 |
| Lincoln | Richfield School District 316 | Increased Override Fund | 50,000 |
| Madison | Madison School District 321 | Increased Bond, plant facilities, and emergency funds | 1,592,000 |
| Minidoka / Cassia / Jerome / Lincoln | Minidoka School District 331 | Increased Bond Fund | 917,000 |
| Oneida | Oneida School District 351 | Decreased Bond Fund | <193,000> |
| Owyhee | County | Eliminated Bond Fund | <118,000> |
| Owyhee / Twin Falls | Three Creek School District 416 | New Tuition fund | 23,000 |
| Owyhee / Canyon | Homedale School District 370 | Increased Plant Facilities Fund | 75,000 |
| Owyhee / Canyon | Marsing Fire District | New Override | 90,000 |

| County | Taxing District | Description of Change | \$ Amount of Change |
|----------------------|---------------------------------------|---------------------------------------------------------------------|----------------------------|
| Payette / Washington | Payette School District 371 | Decreased Bond Fund | <89,000> |
| Power | Arbon School District 383 | Decreased Override fund | <13,000> |
| Power | Eastern Power County Fire District | Did not levy in 2006, but levied in 2005 | <97,000> |
| Power | American Falls Library District | New Bond Fund | 110,000 |
| Shoshone / Kootenai | Kellogg School District 391 | Increased Bond and Supplemental funds | 709,000 |
| Teton | Teton School District 401 | Increased Bond and Plant funds and New Emergency fund | 1,241,000 |
| Twin Falls | Twin Falls School District 411 | Increased Bond fund, eliminated Override, new Emergency fund | 1,700,000 |
| Twin Falls | Hansen School District 415 | Increased Bond fund | 75,000 |
| Valley | McCall – Donnelly School District 421 | New Budget Stabilization Fund and various reductions, including M&O | <3,000> |
| Valley | Cascade School District 422 | Increased Bond fund | 80,000 |
| Washington | County | Eliminated Bond Fund | <128,000> |
| Washington | Weiser School District 431 | Reduced Bond Fund | <76,000> |
| Washington / Adams | Cambridge School District 432 | Increased Bond fund | 62,000 |

Table 3: Summary of property tax changes 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 |
| 2006 | <141.4> | <11.4> | -11.4 |

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. 2006 marks a departure due to the replacement of most school M&O property taxes.

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

| Unit of Government | 2002 Taxes Mill.\$ | 2003 Taxes Mill.\$ | 2004 Taxes Mill.\$ | 2005 Taxes Mill.\$ | 2006 Taxes Mill.\$ | % Ch. 05 – 06 |
|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|----------------------|
| County | 228.7 | 247.6 | 263.4 | 281.1 | 294.9 | + 4.9 |
| City | 225.2 | 231.4 | 246.0 | 270.0 | 293.9 | + 8.9 |
| School | 441.1 | 467.7 | 487.8 | 529.7 | 332.2 | -37.3 |
| Highway | 53.3 | 56.7 | 60.3 | 65.2 | 72.6 | + 11.3 |
| All Other | 73.0 | 77.7 | 83.3 | 93.4 | 104.1 | +11.5 |
| TOTAL | 1,021.3 | 1,081.1 | 1,140.8 | 1,239.1 | 1,097.7 | -11.4 |

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 Rockland City, in Power County, where the rate is 2.597%. The lowest rate is in one area of rural Custer County, where the rate is 0.197%.

Charts

Charts containing property tax budget and market value information follow the narrative portion of this report. The attachment entitled "2006 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 2006 amounts with those submitted in 2005.

Analysis of charts usually provided as part of this report has been delayed this year and will be made available as part of a more comprehensive version of the report expected to be completed by the end of December.

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.

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Property Tax Policy Supervisor
Revised: 12/12/2006

2006 Property Tax Analysis Charts

| Chart | Title |
|--------------|------------------------------------------------------------------------------------------------------------------|
| I | Comparison of 2005 and 2006 Taxable Market Value and Estimated Property Tax Collections by Category of Property. |
| II | Effects of 2006 Homeowner's Exemption |
| III | Comparison of 2005 and 2006 Property Taxes and Effects of 2005 Homeowner's Exemption on Individual Property |
| IV | Percent of Total 2006 Property Taxes Paid by Each Major Category of Property |
| V | Comparison of 2005 – 2006 Property Tax by District Type |
| VI | School Property Taxes by Fund Comparison of Property Tax Budgets 2005 – 2006 |
| VII | Comparison of Property Tax Budget 2005 – 2006 by Type of Taxing District (exempt & non-exempt funds) |
| VIII | 2006 Average Property Tax Rates |

Chart I
Comparison of 2006 and 2005 Taxable Value and
Estimated Property Tax Collections by Category of Property

Revised: 12/12/2006

| Category of Property | 2006 Taxable Value Including 2005 Sub. Roll | % of Taxable Value in Category | % Change in Taxable Value* 2005/2006 | Estimated 2006 Tax Rate | Estimated 2006 Tax (\$) | % of Tax in Category | % Change in Taxes* 2005/2006 |
|-----------------------------|---------------------------------------------|--------------------------------|--------------------------------------|-------------------------|-------------------------|----------------------|------------------------------|
| Primary Residential: | | | | | | | |
| Urban owner-occupied | 25,208,183,171 | 23.5% | 12.8% | 1.292% | \$325,668,655 | 29.7% | -12.0% |
| Rural owner-occupied | 16,367,092,571 | 15.3% | 26.8% | 0.766% | \$125,386,614 | 11.4% | -14.9% |
| Subtotal | 41,575,275,743 | 38.8% | 17.9% | 1.085% | \$451,055,269 | 41.1% | -12.8% |
| Other Residential: | | | | | | | |
| Urban non owner occupied | 14,800,966,907 | 13.8% | 27.7% | 1.019% | \$150,812,440 | 13.7% | -1.4% |
| Rural non owner occupied | 17,206,150,520 | 16.0% | 38.1% | 0.587% | \$100,914,620 | 9.2% | -10.8% |
| Subtotal | 32,007,117,427 | 29.8% | 33.1% | 0.786% | \$251,727,060 | 22.9% | -5.4% |
| Residential subtotal | 73,582,393,170 | 68.6% | 24.0% | 0.955% | 702,782,329 | 64.0% | -10.3% |
| Commercial: | | | | | | | |
| Urban | 19,894,626,220 | 18.6% | 12.6% | 1.348% | \$268,201,200 | 24.4% | -10.1% |
| Rural | 4,325,947,827 | 4.0% | 15.2% | 0.930% | \$40,252,794 | 3.7% | -13.8% |
| Subtotal | 24,220,574,047 | 22.6% | 13.1% | 1.274% | \$308,453,994 | 28.1% | -10.6% |
| Agricultural: | 4,077,009,241 | 3.8% | 3.0% | 0.944% | \$38,485,211 | 3.5% | -21.7% |
| Timber: | 818,491,695 | 0.8% | 2.2% | 0.780% | \$6,381,051 | 0.6% | -31.3% |
| Mining: | 775,959,365 | 0.7% | 102.4% | 0.454% | \$3,526,297 | 0.3% | -7.8% |
| Real & Personal: | | | | | | | |
| Subtotal | 103,474,427,518 | 96.5% | 20.5% | 1.024% | \$1,059,628,882 | 96.5% | -11.0% |
| Operating: | | | | | | | |
| Urban | 1,049,744,816 | 1.0% | 2.4% | 1.332% | \$13,978,903 | 1.3% | -19.5% |
| Rural | 2,708,878,117 | 2.5% | 7.1% | 0.889% | \$24,075,149 | 2.2% | -21.6% |
| Subtotal | 3,758,622,933 | 3.5% | 5.8% | 1.012% | \$38,054,052 | 3.5% | -20.8% |
| Total Urban | 60,953,521,115 | 56.8% | 15.8% | 1.245% | \$758,661,199 | 69.1% | -9.6% |
| Total Rural | 46,279,529,336 | 43.2% | 25.8% | 0.733% | \$339,021,735 | 30.9% | -15.3% |
| Grand Total | 107,233,050,451 | 100.0% | 19.9% | 1.024% | \$1,097,682,934 | 100.0% | -11.4% |

Values do not include urban renewal increments.

Chart II
Effects of the 2006 Homeowner's Exemption
Values and Taxes Assuming NO Homeowner's Exemption

Revised: 12/12/2006

| Category of Property | 2006 Taxable Value Plus Homeowner's Exemption (\$) | % of Market Value in Category | % Change in total Market Value* 2005/2006 | Estimated 2006 Tax Rate w/o Homeowner's Exemption | Estimated 2006 Tax w/o Homeowner's Exemption (\$) | % of Tax in Cat. | Changes in 2006 Taxes if NO Homeowner's Exemption | |
|-----------------------------|----------------------------------------------------|-------------------------------|-------------------------------------------|---------------------------------------------------|---------------------------------------------------|------------------|---------------------------------------------------|---------------------|
| | | | | | | | % change: | \$ change: |
| Primary Residential: | | | | | | | | |
| Urban owner-occupied | 39,463,311,809 | 30.7% | 24.6% | 1.060% | \$418,229,125 | 38.1% | 28.4% | 92,560,471 |
| Rural owner-occupied | 23,612,388,079 | 18.3% | 33.7% | 0.649% | \$153,128,318 | 14.0% | 22.1% | 27,741,704 |
| Subtotal | 63,075,699,889 | 49.0% | 27.9% | 0.906% | \$571,357,443 | 52.1% | 26.7% | 120,302,174 |
| Other Residential: | | | | | | | | |
| Urban non owner occupied | 14,800,966,907 | 11.5% | 27.7% | 0.841% | \$124,532,553 | 11.3% | -17.4% | (26,279,887) |
| Rural non owner occupied | 17,206,150,520 | 13.4% | 38.1% | 0.505% | \$86,975,070 | 7.9% | -13.8% | (13,939,550) |
| Subtotal | 32,007,117,427 | 24.9% | 33.1% | 0.661% | \$211,507,623 | 19.3% | -16.0% | (40,219,437) |
| Residential subtotal | 95,082,817,316 | 73.9% | 29.6% | 0.823% | 782,865,066 | 71.3% | 11.4% | 80,082,737 |
| Commercial: | | | | | | | | |
| Urban | 19,894,626,220 | 15.5% | 12.6% | 1.067% | \$212,331,968 | 19.3% | -20.8% | (55,869,233) |
| Rural | 4,325,947,827 | 3.4% | 15.2% | 0.751% | \$32,489,613 | 3.0% | -19.3% | (7,763,181) |
| Subtotal | 24,220,574,047 | 18.8% | 13.1% | 1.011% | \$244,821,580 | 22.3% | -20.6% | (63,632,414) |
| Agricultural: | | | | | | | | |
| | 4,077,009,241 | 3.2% | 3.0% | 0.758% | \$30,904,304 | 2.8% | -19.7% | (7,580,907) |
| Timber: | | | | | | | | |
| | 818,491,695 | 0.6% | 2.2% | 0.648% | \$5,304,371 | 0.5% | -16.9% | (1,076,679) |
| Mining: | | | | | | | | |
| | 775,959,365 | 0.6% | 102.4% | 0.412% | \$3,200,571 | 0.3% | -9.2% | (325,725) |
| Real & Personal | | | | | | | | |
| Subtotal | 124,974,851,664 | 97.1% | 25.1% | 0.854% | \$1,067,095,893 | 97.2% | 0.7% | 7,467,012 |
| Operating: | | | | | | | | |
| Urban | 1,049,744,816 | 0.8% | 2.4% | 1.052% | \$11,039,355 | 1.0% | -21.0% | (2,939,548) |
| Rural | 2,708,878,117 | 2.1% | 7.1% | 0.722% | \$19,547,685 | 1.8% | -18.8% | (4,527,464) |
| Subtotal | 3,758,622,933 | 2.9% | 5.8% | 0.814% | \$30,587,041 | 2.8% | -19.6% | (7,467,012) |
| Total Urban | 75,208,649,753 | 58.4% | 21.4% | 1.019% | \$766,133,002 | 69.8% | 1.0% | 7,471,803 |
| Total Rural | 53,524,824,844 | 41.6% | 28.8% | 0.619% | \$331,549,932 | 30.2% | -2.2% | (7,471,803) |
| Grand Total | 128,733,474,597 | 100.0% | 24.4% | 0.853% | \$1,097,682,934 | 100.0% | 0.0% | 0 |

Values do not include urban renewal increments.

Chart III
Comparison of 2005 & 2006 Property Taxes and
Effects of 2005 Homeowner's Exemption on Individual Property

Revised: 12/12/2006

| Location | Type of Property | 2005 Property Taxes (\$) | 2006 Property Taxes (\$) | % Change 2005 - 2006 | 2006 Tax Without Homeowner's Exempt. (\$) | % Change in 2006 Tax if NO Home. Exempt |
|-----------------------------------------|-----------------------------|--------------------------|--------------------------|----------------------|-------------------------------------------|-----------------------------------------|
| Urban-Improvement value over \$100,000. | Owner-Occupied Residential* | 1,115 | 898 | -19.5% | 1,472 | 64.1% |
| Urban | Commercial | 2,461 | 2,031 | -17.5% | 1,608 | -20.8% |
| Rural-Improvement value over \$100,000 | Owner-Occupied Residential* | 779 | 532 | -31.7% | 901 | 69.3% |
| Rural | Commercial | 1,813 | 1,402 | -22.7% | 1,132 | -19.3% |
| Rural | Farm | 3,451 | 2,805 | -18.7% | 2,779 | -0.9% |

Farm property is assumed to be valued as follows:

| | Taxable Value: (after Home. Ex.) | | |
|----------------------------------|-------------------------------------|------------------|------------------|
| | 2005 | 2006 | 2006 |
| Agricultural land | \$221,065 | \$227,634 | \$227,634 |
| Improvement Value over \$100,000 | \$105,144 | \$116,709 | |
| Residential land | \$20,029 | \$22,232 | |
| Total | \$346,237 | \$366,575 | \$297,105 |

Commercial property is valued as follows:

| | 2005 | 2006 |
|---------------------------------------|-----------|-----------|
| Commercial real and personal property | \$142,151 | \$150,680 |

Residential property is valued as follows:

| Improvement Value over \$100,000 | Taxable Value: (after Home. Ex.) | | |
|----------------------------------|-------------------------------------|------------------|-----------------|
| | 2005 | 2006 | 2006 |
| Owner-occupied house | \$105,144 | \$116,709 | |
| Residential land | \$20,029 | \$22,232 | |
| Total | \$125,172 | \$138,941 | \$69,471 |

Inflation Adjustments

Owner Occupied Residential values have been inflated by 11. % in 2006;
Commercial values have been inflated by 6% in 2006.
The remainder of residential and commercial growth is attributed to new construction.
Farm land values have been inflated 3% in 2006.

Chart IV
Percent of Total 2006 Property Taxes Paid by Each Major Category of Property

Revised: 12/12/2006

| 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 | 55.3% | 10.3% | 65.6% | 31.0% | 1.2% | 32.2% | 0.3% | 0.0% | 0.0% | 98.1% | 1.2% | 0.7% | 1.9% |
| ADAMS | 13.1% | 56.9% | 70.0% | 7.1% | 4.4% | 11.5% | 4.8% | 2.3% | 0.0% | 88.6% | 0.3% | 11.1% | 11.4% |
| BANNOCK | 52.2% | 8.4% | 60.6% | 33.0% | 1.0% | 33.9% | 1.0% | 0.0% | 0.0% | 95.5% | 2.4% | 2.2% | 4.5% |
| BEAR LAKE | 23.6% | 45.9% | 69.5% | 9.5% | 1.1% | 10.6% | 7.3% | 0.0% | 0.0% | 87.5% | 1.4% | 11.1% | 12.5% |
| BENEWAH | 17.8% | 35.9% | 53.8% | 12.9% | 7.8% | 20.6% | 5.9% | 15.2% | 0.1% | 95.5% | 0.8% | 3.7% | 4.5% |
| BINGHAM | 26.5% | 23.2% | 49.7% | 17.2% | 10.5% | 27.8% | 13.7% | 0.0% | 0.0% | 91.1% | 1.2% | 7.7% | 8.9% |
| BLAINE | 56.4% | 32.9% | 89.3% | 8.7% | 1.2% | 9.8% | 0.4% | 0.0% | 0.0% | 99.5% | 0.1% | 0.3% | 0.5% |
| BOISE | 10.3% | 75.5% | 85.7% | 5.0% | 3.7% | 8.7% | 1.6% | 1.3% | 0.0% | 97.3% | 0.6% | 2.1% | 2.7% |
| BONNER | 23.0% | 59.3% | 82.3% | 9.2% | 2.4% | 11.6% | 1.1% | 1.2% | 0.0% | 96.3% | 0.8% | 2.9% | 3.7% |
| BONNEVILLE | 42.8% | 13.6% | 56.3% | 34.3% | 5.1% | 39.4% | 1.7% | 0.0% | 0.0% | 97.5% | 0.8% | 1.7% | 2.5% |
| BOUNDARY | 16.7% | 37.9% | 54.6% | 8.8% | 7.3% | 16.1% | 7.2% | 5.2% | 0.0% | 83.1% | 1.9% | 15.0% | 16.9% |
| BUTTE | 19.1% | 25.2% | 44.4% | 12.2% | 4.4% | 16.6% | 30.0% | 0.0% | 0.0% | 91.0% | 0.8% | 8.2% | 9.0% |
| CAMAS | 17.3% | 46.1% | 63.4% | 8.4% | 3.0% | 11.4% | 19.0% | 0.0% | 0.0% | 93.9% | 0.8% | 5.2% | 6.1% |
| CANYON | 40.6% | 19.9% | 60.6% | 29.9% | 4.3% | 34.2% | 3.2% | 0.0% | 0.0% | 98.0% | 1.0% | 1.0% | 2.0% |
| CARIBOU | 15.7% | 9.3% | 25.0% | 13.5% | 8.1% | 21.7% | 14.0% | 0.0% | 28.4% | 89.1% | 1.5% | 9.4% | 10.9% |
| CASSIA | 21.7% | 19.6% | 41.3% | 17.1% | 15.9% | 33.0% | 20.6% | 0.0% | 0.0% | 94.9% | 1.1% | 3.9% | 5.1% |
| CLARK | 7.6% | 6.8% | 14.4% | 11.7% | 14.4% | 26.0% | 37.9% | 0.5% | 0.1% | 79.0% | 1.5% | 19.5% | 21.0% |
| CLEARWATER | 24.3% | 24.8% | 49.1% | 11.1% | 3.5% | 14.6% | 3.3% | 30.1% | 0.0% | 97.2% | 1.1% | 1.7% | 2.8% |
| CUSTER | 12.2% | 18.4% | 30.6% | 7.8% | 1.7% | 9.5% | 7.1% | 0.0% | 51.5% | 98.7% | 0.3% | 1.0% | 1.3% |
| ELMORE | 43.9% | 19.2% | 63.0% | 13.8% | 4.4% | 18.2% | 4.5% | 0.0% | 0.0% | 85.8% | 4.1% | 10.0% | 14.2% |
| FRANKLIN | 33.5% | 22.0% | 55.5% | 13.5% | 3.5% | 17.0% | 15.6% | 0.0% | 0.3% | 88.4% | 2.7% | 8.9% | 11.6% |
| FREMONT | 21.1% | 58.0% | 79.1% | 7.2% | 2.7% | 9.9% | 7.8% | 0.1% | 0.1% | 97.0% | 0.7% | 2.3% | 3.0% |
| GEM | 28.1% | 45.6% | 73.7% | 13.0% | 4.0% | 17.0% | 6.6% | 0.1% | 0.0% | 97.5% | 0.5% | 2.0% | 2.5% |
| GOODING | 23.8% | 22.6% | 46.5% | 14.7% | 10.7% | 25.4% | 19.4% | 0.0% | 0.0% | 91.3% | 1.0% | 7.8% | 8.7% |
| IDAHO | 21.1% | 38.4% | 59.5% | 15.3% | 8.4% | 23.7% | 10.9% | 3.4% | 0.1% | 97.6% | 0.5% | 1.8% | 2.4% |
| JEFFERSON | 22.1% | 42.2% | 64.3% | 10.1% | 6.7% | 16.8% | 13.7% | 0.0% | 0.0% | 94.8% | 1.1% | 4.1% | 5.2% |
| JEROME | 24.1% | 22.5% | 46.6% | 16.7% | 12.2% | 28.8% | 17.3% | 0.0% | 0.0% | 92.8% | 0.6% | 6.6% | 7.2% |
| KOOTENAI | 42.9% | 33.5% | 76.4% | 17.5% | 1.9% | 19.4% | 0.4% | 0.6% | 0.0% | 96.9% | 2.0% | 1.1% | 3.1% |
| LATAH | 43.1% | 15.6% | 58.8% | 25.1% | 3.0% | 28.2% | 5.9% | 3.9% | 0.0% | 96.7% | 1.7% | 1.5% | 3.3% |
| LEMHI | 27.1% | 36.7% | 63.9% | 17.3% | 3.7% | 21.0% | 11.7% | 0.0% | 0.1% | 96.7% | 0.8% | 2.5% | 3.3% |
| LEWIS | 25.9% | 12.4% | 38.3% | 16.8% | 3.4% | 20.2% | 35.1% | 3.2% | 0.0% | 96.8% | 1.2% | 2.0% | 3.2% |
| LINCOLN | 23.4% | 16.4% | 39.8% | 11.3% | 11.6% | 23.0% | 20.6% | 0.0% | 0.1% | 83.4% | 1.3% | 15.2% | 16.6% |
| MADISON | 26.2% | 21.0% | 47.2% | 37.1% | 6.7% | 43.7% | 6.5% | 0.0% | 0.0% | 97.4% | 0.8% | 1.7% | 2.6% |
| MINIDOKA | 24.6% | 21.7% | 46.3% | 21.4% | 10.8% | 32.2% | 16.0% | 0.0% | 0.0% | 94.6% | 1.2% | 4.2% | 5.4% |
| NEZ PERCE | 46.6% | 6.6% | 53.2% | 30.2% | 10.4% | 40.6% | 2.6% | 0.2% | 0.0% | 96.6% | 2.7% | 0.7% | 3.4% |
| ONEIDA | 29.6% | 18.5% | 48.1% | 17.8% | 2.7% | 20.5% | 23.8% | 0.0% | 0.7% | 93.1% | 1.1% | 5.8% | 6.9% |
| OWYHEE | 21.4% | 28.4% | 49.8% | 7.6% | 7.6% | 15.2% | 24.1% | 0.0% | 0.2% | 89.4% | 0.6% | 10.0% | 10.6% |
| PAYETTE | 36.6% | 24.5% | 61.1% | 19.5% | 6.2% | 25.6% | 8.8% | 0.0% | 0.0% | 95.5% | 1.5% | 3.0% | 4.5% |
| POWER | 13.2% | 9.0% | 22.2% | 8.9% | 34.7% | 43.6% | 17.0% | 0.0% | 0.0% | 82.8% | 0.9% | 16.3% | 17.2% |
| SHOSHONE | 36.8% | 20.5% | 57.3% | 15.5% | 7.7% | 23.1% | 0.3% | 11.2% | 1.0% | 92.8% | 2.1% | 5.1% | 7.2% |
| TETON | 15.0% | 71.2% | 86.1% | 6.8% | 2.2% | 9.0% | 3.7% | 0.0% | 0.0% | 98.9% | 0.2% | 1.0% | 1.1% |
| TWIN FALLS | 41.0% | 16.3% | 57.3% | 28.1% | 2.6% | 30.8% | 7.6% | 0.0% | 0.0% | 95.6% | 1.2% | 3.2% | 4.4% |
| VALLEY | 33.6% | 54.6% | 88.2% | 8.3% | 2.1% | 10.3% | 0.4% | 0.4% | 0.0% | 99.3% | 0.2% | 0.5% | 0.7% |
| WASHINGTON | 32.8% | 18.8% | 51.5% | 14.0% | 4.2% | 18.2% | 14.6% | 0.0% | 0.0% | 84.5% | 1.1% | 14.4% | 15.5% |

Chart V

| Comparison of 2005 - 2006 Property Tax by District Type | | | | |
|--------------------------------------------------------------------|----------------------|----------------------|----------------|----------------------|
| District Category Corrected: 10/23/2006 | Property Tax | | % | \$ |
| | 2005 | 2006 | Inc/Dec | Inc/Dec |
| County | 281,065,595 | 294,893,519 | 4.9% | 13,827,924 |
| City | 269,807,700 | 293,900,662 | 8.9% | 24,092,962 |
| School | 529,685,837 | 332,200,620 | -37.3% | (197,485,217) |
| Ambulance | 14,043,803 | 15,095,375 | 7.5% | 1,051,572 |
| Auditorium | 11,476 | 12,155 | 5.9% | 679 |
| Cemetery | 3,613,424 | 4,049,837 | 12.1% | 436,413 |
| Extermination | 662,371 | 722,450 | 9.1% | 60,079 |
| Fire | 37,449,417 | 42,523,969 | 13.6% | 5,074,552 |
| Flood Control | 416,857 | 491,256 | 17.8% | 74,399 |
| Roads & Highways | 65,170,434 | 72,551,826 | 11.3% | 7,381,392 |
| Hospital | 6,977,222 | 7,472,255 | 7.1% | 495,033 |
| Junior College | 10,519,294 | 11,382,146 | 8.2% | 862,852 |
| Library | 12,934,046 | 14,745,231 | 14.0% | 1,811,185 |
| Mosquito Abatement | 1,426,497 | 1,540,049 | 8.0% | 113,552 |
| Port | 450,000 | 450,000 | 0.0% | - |
| Recreation | 2,845,613 | 3,413,072 | 19.9% | 567,459 |
| Sewer Incl Rec Sewer | 576,064 | 605,606 | 5.1% | 29,542 |
| Sewer & Water | 1,404,646 | 1,545,248 | 10.0% | 140,602 |
| Water | 80,906 | 79,658 | -1.5% | (1,248) |
| Watershed | 7,000 | 8,000 | 14.3% | 1,000 |
| Total: | 1,239,148,202 | 1,097,682,934 | -11.4% | (141,465,268) |

Chart VI:

10/20/2006

| 2006 School Property Taxes by Fund Comparison of 2005 - 2006 School Property Taxes | | | | | |
|-----------------------------------------------------------------------------------------------|---------------------------|---------------------------|-----------------------|----------------------------------|-------------------------|
| Fund | 2005 \$ AMOUNT | 2006 \$ AMOUNT | % of Total | \$ CHANGE 2005 - 2006 | % Difference |
| General M&O* | 293,538,741 | 51,893,324 | 15.62% | (241,645,417) | -82.32% |
| Budget Stabilization | | 35,431,455 | 10.67% | 35,431,455 | |
| Tort | 5,285,719 | 3,196,005 | 0.96% | (2,089,714) | -39.54% |
| Tuition | 405,454 | 427,981 | 0.13% | 22,527 | 5.56% |
| Bonds | 98,407,643 | 117,020,631 | 35.23% | 18,612,988 | 18.91% |
| Cosa | 578,583 | 585,629 | 0.18% | 7,046 | 1.22% |
| Emergency | 13,841,628 | 16,578,155 | 4.99% | 2,736,527 | 19.77% |
| 63-1305 Judgment | 2,551,818 | 304,876 | 0.09% | (2,246,942) | -88.05% |
| Override | 76,716,455 | 78,737,458 | 23.70% | 2,021,003 | 2.63% |
| Plant Facility | 38,359,796 | 28,025,106 | 8.44% | (10,334,690) | -26.94% |
| TOTALS: | 529,685,837 | 332,200,620 | 100.00% | (197,485,217) | -37.28% |

* = Boise School #1 is the only School District authorized to levy a M&O fund.

| 2005 - 2006 Comparison of M&O and Voter Approved Exempt Funds used by Schools | | |
|--------------------------------------------------------------------------------------------------|-------------|-------------|
| Fund | 2005 | 2006 |
| M&O | 114 | 1 |
| Budget Stabilization | | 4 |
| Bond | 83 | 81 |
| Plant Facility | 56 | 53 |
| Override | 57 | 60 |

Chart VII:

**Comparison of Property Tax Budgets 2005 - 2006
by Type of Taxing District**

| 11/06/2006 | | | | | |
|----------------|----------------------|----------------------|----------------------|----------------|---------------------------|
| District | 2005 Dollars | 2006 Dollars | 2005 - 2006 Change | | % Total 2006 Property Tax |
| | | | Dollars | Percent | |
| County | 281,065,595 | 294,893,519 | 13,827,924 | 4.92% | 26.87% |
| City | 269,807,700 | 293,900,662 | 24,092,962 | 8.93% | 26.77% |
| School | 529,685,837 | 332,200,620 | (197,485,217) | -37.28% | 30.26% |
| Cemetery | 3,613,424 | 4,049,837 | 436,413 | 12.08% | 0.37% |
| Fire | 37,449,417 | 42,523,969 | 5,074,552 | 13.55% | 3.87% |
| Highway | 65,170,434 | 72,551,826 | 7,381,392 | 11.33% | 6.61% |
| Hospital | 6,977,222 | 7,472,255 | 495,033 | 7.09% | 0.68% |
| Junior College | 10,519,294 | 11,382,146 | 862,852 | 8.20% | 1.04% |
| Library | 12,934,046 | 14,745,231 | 1,811,185 | 14.00% | 1.34% |
| Other | 21,919,007 | 23,962,869 | 2,043,862 | 9.32% | 2.18% |
| Totals: | 1,239,141,976 | 1,097,682,934 | (141,459,042) | -11.42% | 100.00% |

**Comparison of Property Tax Budgets 2005 - 2006
by Type of Taxing District
Exempt - Non Exempt Fund Comparison Only**

| District | Exempt Property Tax Funds | | | | Non Exempt Property Tax Funds* | | | |
|----------------|---------------------------|--------------------|--------------------|---------------|--------------------------------|--------------------|----------------------|----------------|
| | 2005 Dollars | 2006 Dollars | 2005 - 2006 Change | | 2005 Dollars | 2006 Dollars | 2005 - 2006 Change | |
| | | | Dollars | Percent | | | Dollars | Percent |
| County ** | 5,521,699 | 3,680,238 | (1,841,461) | -33.35% | 275,543,896 | 291,213,281 | 15,669,385 | 5.69% |
| City | 7,065,205 | 6,490,757 | (574,448) | -8.13% | 262,742,495 | 287,409,905 | 24,667,410 | 9.39% |
| School | 230,455,923 | 276,683,310 | 46,227,387 | 20.06% | 299,229,914 | 55,517,310 | (243,712,604) | -81.45% |
| Cemetery | 574,223 | 795,894 | 221,671 | 38.60% | 3,039,201 | 3,253,943 | 214,742 | 7.07% |
| Fire | 1,045,009 | 1,988,876 | 943,867 | 90.32% | 36,404,408 | 40,535,093 | 4,130,685 | 11.35% |
| Highway | 227,714 | 21,966 | (205,748) | -90.35% | 64,942,720 | 72,529,860 | 7,587,140 | 11.68% |
| Hospital | 1,178,675 | 1,167,579 | (11,096) | -0.94% | 5,798,547 | 6,304,350 | 505,803 | 8.72% |
| Junior College | 23,155 | 0 | (23,155) | -100.00% | 10,496,139 | 11,382,146 | 886,007 | 8.44% |
| Library | 1,201,164 | 1,702,603 | 501,439 | 41.75% | 11,732,882 | 13,042,628 | 1,309,746 | 11.16% |
| Other | 837,757 | 765,580 | (72,177) | -8.62% | 21,081,250 | 23,197,615 | 2,116,365 | 10.04% |
| Totals: | 248,130,524 | 293,296,803 | 45,166,279 | 18.20% | 991,011,452 | 804,386,131 | (186,625,321) | -18.83% |

** - Property tax replacement for Nez Perce of \$1,713,680 and for Kootenai \$4,060,332 are not included in these figures.

* All School M&O removed from property taxes except Boise School #1.

Chart VIII

| 2006 AVERAGE PROPERTY TAX RATES | | | |
|----------------------------------------|------------------------|------------------------|------------------------------------|
| 10/23/06 | | | |
| COUNTY | AVERAGE URBAN % | AVERAGE RURAL % | OVERALL AVERAGE PROP. TAX % |
| ADA | 1.266% | 1.083% | 1.242% |
| ADAMS | 0.945% | 0.624% | 0.666% |
| BANNOCK | 2.079% | 1.126% | 1.883% |
| BEAR LAKE | 0.942% | 0.557% | 0.647% |
| BENEWAH | 1.271% | 0.683% | 0.796% |
| BINGHAM | 1.955% | 1.178% | 1.424% |
| BLAINE | 0.466% | 0.395% | 0.442% |
| BOISE | 0.864% | 0.587% | 0.610% |
| BONNER | 0.721% | 0.435% | 0.495% |
| BONNEVILLE | 1.696% | 1.060% | 1.505% |
| BOUNDARY | 1.023% | 0.730% | 0.792% |
| BUTTE | 1.940% | 1.329% | 1.460% |
| CAMAS | 1.649% | 1.018% | 1.125% |
| CANYON | 1.924% | 1.188% | 1.640% |
| CARIBOU | 1.926% | 1.032% | 1.181% |
| CASSIA | 1.451% | 0.915% | 1.063% |
| CLARK | 1.030% | 0.745% | 0.781% |
| CLEARWATER | 1.580% | 0.863% | 1.030% |
| CUSTER | 0.540% | 0.249% | 0.277% |
| ELMORE | 1.804% | 0.912% | 1.302% |
| FRANKLIN | 1.349% | 0.963% | 1.137% |
| FREMONT | 1.165% | 0.740% | 0.817% |
| GEM | 1.089% | 0.694% | 0.807% |
| GOODING | 1.689% | 0.977% | 1.147% |
| IDAHO | 1.066% | 0.572% | 0.670% |
| JEFFERSON | 1.588% | 0.909% | 1.028% |
| JEROME | 1.954% | 1.214% | 1.439% |
| KOOTENAI | 0.835% | 0.513% | 0.674% |
| LATAH | 1.695% | 1.250% | 1.533% |
| LEMHI | 1.266% | 0.592% | 0.767% |
| LEWIS | 1.800% | 1.123% | 1.349% |
| LINCOLN | 1.616% | 0.997% | 1.126% |
| MADISON | 1.459% | 1.226% | 1.365% |
| MINIDOKA | 1.509% | 0.995% | 1.194% |
| NEZ PERCE | 1.959% | 1.007% | 1.632% |
| ONEIDA | 1.493% | 0.790% | 1.002% |
| OWYHEE | 1.290% | 0.833% | 0.915% |
| PAYETTE | 1.973% | 1.071% | 1.458% |
| POWER | 2.386% | 1.444% | 1.578% |
| SHOSHONE | 1.663% | 1.185% | 1.407% |
| TETON | 0.572% | 0.429% | 0.452% |
| TWIN FALLS | 1.741% | 1.036% | 1.445% |
| VALLEY | 0.684% | 0.393% | 0.479% |
| WASHINGTON | 1.529% | 0.887% | 1.109% |
| Statewide: | 1.205% | 0.784% | 1.025% |