

2025 Budget and Levy Training County Session

Benefit the people of Idaho with courteous customer service and education by providing fair, efficient, and effective revenue and tax administration.



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Today's Instructors

- Alan Dornfest: Property Tax Policy Bureau Chief
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- Ben Seloske: Principal Research Analyst
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Agenda

- General Topics
- 2024-2025 Legislative Changes
- Urban Renewal
- Break (10-15 mins)
- Abstracts & Values
- L-2 Forms & Review Process
- Q&A

Key Budget & Levy Dates

- 5/19/25 (3rd Monday of May) (§63-3503B)
 - STC to notify counties of amounts to bill solar and other small energy producers
- 8/4/25 (1st Monday of August)
 - Notify districts of gross earnings tax on solar farms billed for the current year (also wind, geothermal, etc.)
 - Notify districts of taxable value (I.C.§63-1312)
- 8/31/25
 - STC provides clerks with amounts sent to school districts for the School District Facilities Fund
- 9/2/25 -
 - STC notifies counties if RAAs are out of compliance with reporting requirements to the Urban Renewal registry



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Due to STC – 4th Monday of May

Budget Hearing Notice Noncompliance List

(If all taxing districts complied, submit this form indicating "None" below.)

[, the County C	Clerk of Count	y
(County Clerk's Name)	(County Name)	
hereby affirm that by April 30th the taxing distri	icts listed below did not notify me of the	,
date and location of their budget hearing or that	no budget hearing is required.	

District Name	District Name

I am submitting this form to the State Tax Commission in accordance with IDAPA 35.01.03.805 (Property Tax Rule 805) on (Date Submitted)

This document must be submitted even if all districts complied.

Link: https://tax.idaho.gov/taxes/property/property-tax-forms-guidesby-category/

(Under "Guides")



Recovered/Recaptured **Property Tax and Refund List**

	Recovered/Recaptured	Property Tax and I	Refund List		
List the amount of revenue distribute sections: I.C. §63-602G(5), 63-3029				ding June 30th of each	year under the following
Enter County Na	nme:				
District Name	Solar Farm Tax 63-3502B(2)	Recovered H/E 63-602G	QIE 63-3029B(4)	Other*	Judgment Refunds 63-1305
	(1)	(2)	(3)	(4)	(5)
* = Identify the type of recovered/rec	1 4 4.6.86	2 (02)/// (2 1205) 50	2002 4 (2) 50 2012 (2))		



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Recovered/Recaptured **Property Tax and Refund List**

- Show the amount received for each taxing district for the period of July 1st, 2024 - June 30th, 2025
- Due to taxing districts by August 4th (1st Monday of August) and due to STC with L-2s
- Each code section provides that any recapture/refund be treated as property tax replacement
- Most are added back before computing the 3% increase
- Solar Farm is added back but does NOT get a 3% increase

Link: https://tax.idaho.gov/taxes/property/property-tax-forms-guides-bycategory/

(Under "Forms")

2025 Taxing District Calendar

Date	Idaho Code or Rule	Description
3/24/2025	63-1312(1)	County auditor notifies each district, other than school districts, of the prior year's total taxable value within such district.
4/30/2025	63-802A	Each taxing district will notify each appropriate county clerk of the date and location of its budget hearing.
5/27/2025	Rule 805.03	County clerk to submit list of districts failing to notify regarding budget hearings as per 63-802A.
6/2/2025	50-2903A	URAs with an RAA formed after 7/1/2016 must attest to the STC if a modification of their plan has occurred or that no modification has occurred.
7/21/2025	27-120, 40-802, and 39-1332	County auditor shall provide to each highway, hospital, and cemetery district a statement showing the aggregate market value for assessment purposes of all property in the district. For highway district only: in addition, shall provide the same information for each city in the highway district.
7/28/2025	Rule 802.08	County auditor shall report to each taxing district the value of new construction and annexation.
8/4/2025	63-1312(2)	County auditor shall notify the STC and each taxing unit of the taxable valuation of all taxable property within that district from the current year's property roll, previous year operating property roll, and the prior year's actual or current year's estimated subsequent and missed property rolls.
8/4/2025	Rule 803.06.b	County auditor shall notify each taxing district or unit of the total property tax replacement monies and identify the type of replacement money (thru June 30).
8/4/2025	Rule 803.06.d	County auditor shall notify each taxing unit of the gross earnings tax on solar farms billed for the current year (thru June 30).
No later than September 1	50-2913(3)(b)	STC shall notify appropriate board of county commissioners and city council of any urban renewal agency that failed to register its plans with the STC registry.
RAA = Revenue STC = State Tax	Allocation Area Commission	SCO = State Controller's Office URA = Urban Renewal Agency



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2025 Taxing District Calendar

Date	Idaho Code or Rule	Description
9/2/2025	63-410(1)	STC will certify operating property values to each county auditor.
9/4/2025	63-803(3)	Taxing districts certify their property tax budgets (in whole dollars) to each county unless an extension of not more than 7 working days is granted by the county commissioners. For school emergency fund, the due date is before the 2 nd Monday of September.
9/4/2025	Rule 810.01	STC will notify county clerks of the amounts distributed to each school district from the School District Facilities Fund. Levied amounts for each school district will be required to be reduced by these amounts.
9/8/2025	63-724(5)(b)	County Auditor shall certify the completed homeowner property tax relief roll to the STC.
9/15/2025	63-808(1)	Clerk of the board must prepare 4 certified copies of the record of levies and deliver one copy to the assessor, tax collector, state tax commission, and clerk's office.
9/15/2025	63-803(3)	Due date for taxing districts to certify their property tax budgets if granted an extension by the county commissioners.
9/15/2025	63-724(6)	STC shall certify to the county auditor and tax collector the amounts to be paid by the State to the counties for homeowner's property tax relief.
9/22/2025	63-808(2)	If an extension is granted by the county commissioners, due date for the clerk of the board to prepare 4 certified copies of the record of the levies and deliver one copy to the assessor, tax collector, state tax commission, and clerk's office.
10/27/2025	63-809(1)	Deadline for STC to approve budget and levies.
12/1/2025	67-1076	Before December 1 st , local governing entities must update registration information on the SCO's central registry. The STC and the county clerk of each county shall provide a list of all taxing districts & URAs within the state and county to the SCO.
12/1/2025	50-2913(2)	URAs shall submit their plans to the STC central registry.
12/31/2025	63-802(1)(f)	Resolutions to reserve forgone amounts must be completed and submitted to the STC.
1/15/2026	67-1076(7)(b)	SCO notifies county commissioners and STC of every entity failing to provide required information.
Prior to 2/15/2026	63-810(1)(b)	Last day of discovery of an erroneous levy due to clerical, mathematical, or electronic error. If discovered after this date, no correction is allowed.
RAA = Revenue	Allocation Area	SCO = State Controller's Office



Property Tax Relief

School District Facilities Funds (SDFF)

- Must be used to reduce levies for school funds following order of priority described in I.C.§33-911(2):
 - **Bonds**
 - Temporary supplementals
 - 3) Plant facilities
- Amount saved in property tax must appear on each tax notice
 - To calculate this, a "hypothetical levy rate" is calculated based on the unreduced budget and applied to each property



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Property Tax Relief

School District Facilities Fund (SDFF):

- Dept of Ed distributes funds directly to school districts by August 31 each year (I.C.§33-911)
- Amounts subject to change annually
 - STC notifies counties of amounts as soon as they are known
 - School districts report amounts on their L-2 forms
 - Likely to result in L-2 extension requests

Property Tax Relief

Homeowner Tax Relief (HTR):

- Appropriated to counties in Sept. using:
 - 2024 eligible levy rates
 - 2025 eligible values
- Counties calculate individual credits based on current eligible levies after they are certified (late Oct./early Nov.)
- 1st half of this relief paid by STC to counties by Dec 20th
- 2nd half paid by June 20th
- Note: paid like PTR to taxing districts & UR



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Property Tax Relief

HTR - Key Dates:

- 1st Monday of Sept Assessor sends HTR roll to clerk/auditor
 - List of parcels with homeowner's exemption as of the 2nd Monday of July
- 2nd Monday of Sept Clerk/auditor sends completed HTR roll to the STC
 - "Completed" = added the prior year's eligible levy rates to calculate the estimated cost on homeowners
- 3rd Monday of Sept STC notifies clerks & treasurers of amounts to be paid to each county for HTR
 - County will allocate their amount to eligible homeowners based on current year's eligible levy rates once approved

Property Tax Relief

HTR - Example:

- County creates HTR roll (late August)
 - Eligible levy rates from 2024
 - 2025 net taxable values for eligible homeowners
 - Estimated 2025 eligible taxes = \$10 million
- STC receives all counties' HTR rolls (early Sept)
 - All counties' estimated 2025 eligible taxes = \$1.0 billion
 - Aug 1st balance of HTR account = \$150 million
 - All counties would receive 15% of their estimated 2025 eligible taxes
- Example county receives \$1.5 million to distribute to HTR-eligible parcels when 2025 taxes are calculated
 - 2025 eligible taxes = \$10.1 million
 - County's HTR credit = 14.85% relief on eligible funds



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HB 14 (effective Feb 7, 2025)

- Requires state agencies to review Idaho Code for unnecessary, obsolete, and outdated provisions
- Report to legislature with recommendations to remove these provisions
 - By Sept 1, 2025



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2025 Legislation

HB 208 (effective July 1, 2025)

- Fire district consolidations no longer treated as annexations (not subject to 8% budget increase limit)
- Budgets added together and then annual increases allowed (3%, etc.)
- When fire districts annex new property (including entire cities), the 8% budget increase limit still applies
- Does not affect timing of annexations/consolidations
 - Map changes occurring after Jan 1st are recognized for levy purposes the following year

HB 304 (effective March 26, 2025)

- Adds \$50M to School District Facilities Fund (SDFF)
- Adds \$50M to Homeowner Tax Relief (HTR) fund
- Both fund transfers to repeat annually
- Final tax relief amounts may be unknown until Aug 31

HB 479 (trailer; effective July 1, 2025)

- SCO to transfer \$50M (above) to HTR fund and \$50M to SDFF annually no later than Aug 31st
- Annual HTR payments still based on Aug 1st HTR fund balance



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2025 Legislation

HB 354 (effective Jan 1, 2026)

- Homeowner's Exemptions prorated by day (details being determined)
 - Full HOE (up to \$125,000), but taxes prorated
 - Pay 100% of tax while not receiving HOE
 - Pay discounted tax (applied HOE) for portion of year w/ HOE
- Burden of proof during valuation appeals shifts to county if the increase in value is >10% from prior year AND:
 - "the increase was due in part to an assessment of the taxable value that resulted from the assessor failing to use the equalization methods required pursuant to section 63-208, Idaho Code."

HB 329 (effective Jan 1, 2026)

- Replaces property tax on rate-regulated gas & electrics with kilowatt-hour tax & thermal energy tax
- County auditors will report to STC the 2025 tax amounts on eligible property by Jan. 12th, 2026
- · STC will calculate proportions to pay to districts based on 2025 property taxes (including urban renewal revenue allocation areas)
 - Treated like other property tax replacements (subtracted)
 - Proportions only updated annually for dissolutions
 - Taxing districts or RAAs created after Jan. 1st. 2025 are NOT eligible to receive kilowatt-hour tax or thermal energy tax

For more information:

Jerott Rudd < ierott.rudd@tax.idaho.gov > or (208) 334-7723



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2025 Legislation

HB 329 – Timeline (beginning 2027):

- 3rd Monday of May STC notifies treasurers of taxes due
- 4th Monday of May STC bills companies
- June 30th companies' bills to be paid to STC → county treasurer
- 4th Monday of July Auditor notifies taxing districts of amounts to be received
- 4th Monday of August Auditor pays taxing districts
- Thursday before 2nd Monday of Sept districts submit L-2s to counties with kwh/therms tax subtracted like replacements

For more information:

Jerott Rudd <ierott.rudd@tax.idaho.gov> or (208) 334-7723



HB 436 (effective Jan 1, 2025)

- Fire & Ambulance districts can opt-out of existing Urban Renewal Revenue Allocation Areas to receive new construction immediately (80% of increment)
 - Restrictions on opt-outs if URA has debt / contractual obligations
- Calculation of "accounting":
 - Use all 2024 rolls for applicable categories minus cancellations



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2025 Legislation

HB 436 (effective Jan 1, 2025; Cont'd)

- RAA existing before 7/1/2025
 - Levies continue to generate revenue for URA (default)
 - Fire / ambulance district may withdraw (opt-out) if their levies are not needed for URA to pay indebtedness and similar obligations
 - Requires fire / ambulance district to provide withdrawal resolution to URA
 - URA sends withdrawal resolution to county & STC
- RAA formed after 7/1/2025
 - Default is fire and ambulance levies set including increment no revenue from these levies goes to URA – unless:
 - Fire / ambulance district consents to allow its levies to generate money from RAA increment value





HB 436 (effective Jan 1, 2025)

- Values on main property roll must include increment value for fire / ambulance districts that have "opted out" of UR
 - Must be appropriate categories for the district
- Values used for levy rate calculation will change based on which districts generate revenue for UR
 - Increment value added in if district has opted out to old RAA or district hasn't opted in for new RAA



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2025 Legislation

HB 436 – Levy Rate Calculation Examples:

- Fire District #1 opts out of existing RAAs
 - All increment value added
- Fire District #2 opts out of existing RAAs, then RAA created after 7/1/2025
 - All increment value added
- Fire District #3 does not opt out of existing RAAs, RAA created after 7/1/2025
 - Add increment value only from new RAA

Note: STC must receive notice by 4th Monday of July, or these changes are pushed to the following year



HB 436 – Levy Rate Calculation Examples:

- Fire District #4 does not opt out of existing RAAs, RAA created after 7/1/2025. district opts in to UR
 - No increment value added
- Fire District #5 does not opt out of existing RAAs, RAA created after 7/1/2025, district opts in to UR, district passes temporary override levy
 - No increment value added for M&O, all increment value added for temporary override levy



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Other Legislative Discussions (did NOT pass)

- HB 317 \$25,000 excise tax per foot of height on wind turbines; could increase SDFF
- HB 388 new county-wide transient room tax (after election) could be used to reduce property taxes
- SB 1074 would exempt homeowners from all school property taxes if they have at least one child (age 5 -18), that child does not attend public schools, and they do not receive education-related public assistance from the state
- SB 1094 would increase max length of temporary supplementals for school districts from 2 to 6 years and would block new permanent supplementals





Urban Renewal



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Urban Renewal Areas – Generally No Loss of Revenue to Taxing Districts

Example:

Taxing district sets its property tax budget:

 $\frac{\$1\ million\ property\ tax\ budget}{\$100\ million\ value\ including\ base} = 0.01\ levy\ rate$

- Base included to compute levy rate does not include increment (part that goes to Urban Renewal District and provides funds for URA)
 - If there is \$25 million in increment,
 - 0.01 X \$25 million = \$250,000 goes to Urban Renewal Agency
 - Total property tax raised is \$1,250,000 even though levy rate was set to raise \$1,000,000 (and that amount goes to the district)

Urban Renewal

When to add increment for computing levies?

Remember: adding increment means no money is generated for the URA by that fund's levy!



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Urban Renewal (I.C.§50-2908)

- When funds qualify, add increment value before setting levy rate and do NOT allocate funds to urban renewal agency for the following:
 - Based on date passed (after 12/31/2007):
 - Bonds
 - Older bonds in area served by new RAA or annexed into RAA
 - All:
 - Temporary Overrides
 - Temporary School Supplemental
 - School emergency and judgment funds (I.C.§63-1305 & §33-802(1))
 - Plant facilities levies
 - Fire / ambulance districts withdrawing or not generating revenue for urban renewal
 - Also applies to estimated levies for ballot language





Urban Renewal (I.C.§50-2908)

- Bonds may have terms 20 years or more.
 - That means the election may have happened prior to 12/31/2007
 - You need to determine whether to add increment value to the net taxable value of the district
- For all the other funds listed in I.C.§50-2908 (see previous slide) automatically add the increment value to the district's net taxable value when you compute levies

Note: Refinancing of any old bond doesn't create a "new" bond



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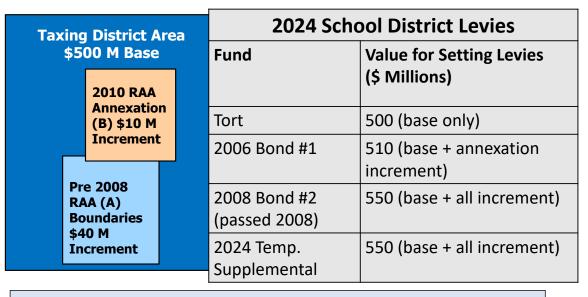


Urban Renewal (I.C.§50-2908)

Information needed:

- · When was the RAA formed?
- Did the RAA do an annexation?
 - If so, when?
- When was the election for the bond?

Urban Renewal (I.C.§50-2908)



Examples of this type are common and result in three different denominators being used to calculate levy rates for one taxing district.



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Urban Renewal (I.C.§50-2908)

Example 1	Example 2	Example 3
RAA formed 2015	RAA formed 2005	RAA #1 formed 2005 RAA #2 formed 2010
Bond election 2006	Bond election 2010	Bond election 2004
Doesn't matter when bond election was held since RAA was created after 2007. Add all increment.	Doesn't matter when RAA formed since bond election was after 2007. Add all increment.	Don't add any increment from RAA #1 (both RAA and bond occurred prior to 2007). Add increment from RAA #2 since it was created after 2007.

It doesn't matter how many RAAs/annexations or bonds/safe school plant facilities funds you have. The main issue is WHEN did it happen



L-2 Workbook & U/R

(For County Use Only)

For I.C. §63-1305 Judgments, I.C §33-802 Judgment Obligations, temporary Override/Supplemental, and School Emergency funds increment value added if first certified after 12/31/2007 For Bonds, and Plant Facility, increment value added if voter approved after 12/31/2007, or if new RAA or RAA annexation. For any existing funds, the levy may need to be computed using part of the increment value if boundary changes have occurred. Increment value is added for fire and ambulance districts for RAAs created or modified on or after 7/1/2025, unless the district has opted to generate revenue for the RAA. Fire and ambulance districts may also opt out of generating revenue for RAAs created prior to 7/1/2025, in which case increment value is also added for the levy rate calculation.

		Pleas	se enter any U/R in	crement	т.	Tavable Value plus Increment		Taxable Value plus Increment	
	Less U/R Increment	U/R Increment Values			16	raxable value plus increment			
County	(A) Net Taxable Market Value	(B) Total Net Increment Value	(C) Increment Value of Post- 2007 RAAs	(D) Increment Value of Annexed Area Only	Net Value plus ALL Increment (A+B)	Net Value plus Post- 2007 RAA Increment Only (A+C)	Net Value plus Annexation Increment Only (A+D)		
Kootenai	\$5,095,782,290	\$77,727,431	\$4,434,940		\$5,173,509,721	\$5,100,217,230	\$5,095,782,290		
Bonner	\$23,476,230				\$23,476,230	\$23,476,230	\$23,476,230		
Total Value:	\$5,119,258,520	\$77,727,431	\$4,434,940		\$5,196,985,951	\$5,123,693,460	\$5,119,258,520		
					U/R Key Code: (1)	U/R Key Code: (2)	U/R Key Code: (3)		

	Levy Calculation Area						
Fund	Balance to be levied	*Select U/R Key Code from list:	Levy Rate	Maximum Levy Rate	"Over Max"		
Tort	\$16,046		0.000003134				
Subtotal	16,046		0.000003134				
		Exem	pt Funds				
2024 Temp Supplemental	\$1,000,000	1	0.000192419				
2005 Bond	\$194,816	2	0.000038023				
2009 Bond	\$6,517,822	1	0.001254154				
2019 Plant Facility	\$1,146,520	1	0.000220612				
63-1305 Judgments	\$12,345	1	0.000002375				
			▼				
Subtotal	8,871,503		0.001707583				
Total	8,887,549		0.001710717				

^{*}Leave Blank if No U/R Increment added; 1 = All increment added; 2 = Post-2007 RAA increment added; 3 = Annexation increment added



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Urban Renewal

How much budget increase will a district get when an RAA terminates?

Urban Renewal

Has the taxing district overlapped the RAA since the RAA was created?

If "yes," then multiply new construction preliminary levy rate by:

	RAA Terminating:	RAA Deannexing:
RAA formed before 12/31/2006	90% of difference between 2006 increment and most current increment	80% of difference between 2006 increment and most current increment
RAA formed after 12/31/2006	80% of most current increment	90% of most current increment



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Urban Renewal

Has the taxing district overlapped the RAA since the RAA was created?

If "no," then multiply new construction preliminary levy rate by:

	RAA Terminating:	RAA Deannexing:
RAA formed before 12/31/2006	90% of difference between most current increment and 2006 or formation date of district or annexation (whichever is later)	80% of difference between 2006 or formation / annexation date if more recent
RAA formed after 12/31/2006	80% of most current additional increment from time of district formation / annexation if post-2006	90% of most current additional increment from time of district formation / annexation if post-2006

Urban Renewal

What about when fire & ambulance districts opt out of urban renewal?

Then multiply new construction preliminary levy rate by:

	Withdrawal – year 1	Future increment counted as new construction
RAA formed before 12/31/2006	80% of difference from 2006 to most current increment	90% of qualifying new construction
RAA formed after 12/31/2006	80% of most current increment	90% of qualifying new construction

^{*}Unless the fire / ambulance district hasn't overlapped the RAA since the RAA was created



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Break

Time for a 10-Minute break



Abstracts

- Property Roll abstract due 4th Monday of July
 - County abstract
 - Abstract for each taxing district showing value for categories applicable to that district
 - Includes new construction roll at 90% value
- Sub & Missed Roll combined abstract due 1st Monday of March
 - County abstract
 - Taxing district abstract
- Rule signature requirements



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What is "New Construction?"

- A method of increasing budget levy authority for:
 - New taxable improvements
 - New mobile homes moved into county
- Does NOT give additional budget authority for:
 - Existing property that increases in value
 - Exempt improvements that become taxable (with exceptions)
 - Otherwise-qualifying value increases within urban renewal RAAs
 - Except for fire / ambulance districts withdrawing from pre-7/1/25 RAAs
 - Land with higher value due to change of use





Do NOT count:

- Property not subject to taxation
 - Exempt overall
 - Exempt for specific district (i.e., operating property for most fire districts)
- Property that is taxable, but within Revenue Allocation Area of Urban Renewal District
 - When RAA dissolves or attests to modification the base resets, STC will provide difference between 2006 and prior year increment. If RAA formed after 2006, new construction value will equal amount of stated increment value
 - When part of RAA is de-annexed:
 - County Assessor determines difference between 2006 (or more current if RAA formed later) and prior year's increment for locally assessed
 - STC uses locally assessed proportions to allocate operating property increment



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New Construction & Annexation Issues

Do not double-count:

- · New construction value in original area
- · Total taxable value in newly annexed area
 - Includes new construction value within new area
 - Refer to Rule 802

IDAPA Rules

509.03 - Verification of abstracts:

The abstract of the property rolls prepared by the county auditor will be considered duly verified provided that the auditor signs a document indicating:

- a. That the required summary information is based on the most current available information received from the assessor following the conclusion of the county board of equalization.
- b. That the assessor certifies to the auditor that all changes, corrections, additions, and exemptions entered on to the rolls as a result of the county board of equalization action have been duly entered.

509.04 - Nature of Verification Document:

The abstract verification document is certified by the assessor to the auditor and includes the signatures of the county assessor and auditor or duly appointed representatives.



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Request by County to Re-open **County Board of Equalization**

- Information required in letter requesting extending county Board of Equalization (BOE)
 - How long is needed to finish BOE business
 - Why extension is needed
 - Specific parcels listed
 - When abstract is to be submitted
- Send to: Maria Young
 - Phone (208) 334-7500
 - Fax: (208) 334-7844
 - E-mail: maria.young@tax.idaho.gov
- Request must be sent before 7/14/25



A-2 and A-2B Information Provided by County

- A-2 district values due to STC 1st Monday of August
 - Values used to set levies (except operating property)
 - 2025 property roll
 - 2025 estimated sub/missed rolls
- A-2B district values due to STC 1st Monday of March 2026
 - Calendar year 2025 all rolls, including operating property
- Used by STC to produce <u>September</u> & <u>December</u>

 Values worksheets



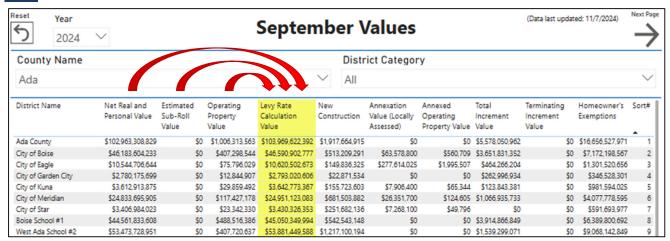


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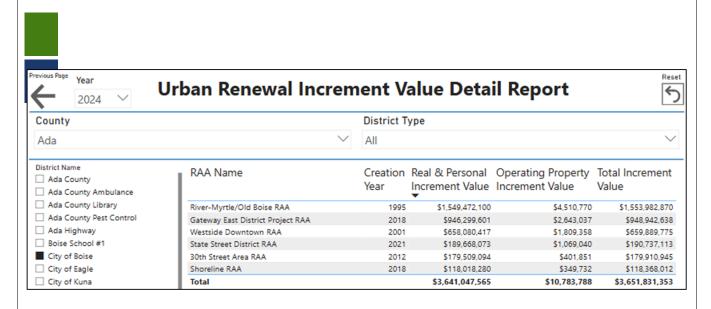
September Value Worksheet

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- We use the information from the A-2 along with the operating property values to produce the net taxable value. Operating property values are not released until 1st Monday of September after State BOE
- "Levy Rate Calculation Value" column used to set levies (add applicable increment)





- Partner worksheet for Sept Values shows detailed breakdown of increment value for each district
- Especially important if a district still levies for a pre-2008 bond and some UR is also pre-2008

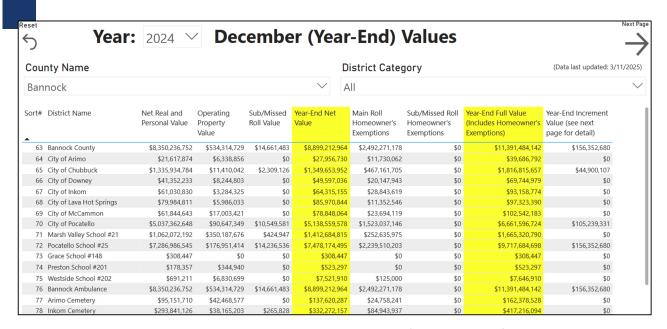


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December Value Worksheet



- December Value Worksheet produced after the sub/missed roll abstracts are submitted by county (1st Monday of March)
- Provides districts their year-end values



Review of Value-Related Documentation

- Balancing A-2 to abstract:
 - County real and personal value reported on the A-2 must equal the county value reported on the abstract
 - Total of all school district values on the A-2 must equal the county value
 - Total of all highway district values (including County Road & Bridge fund) on the A-2 must equal the county value
 - In addition, any county-wide districts reported on the A-2 must equal the county values
 - All the above checks apply to each column reported on the A-2 by the county
- September/December Value Worksheets
 - Review all information for accuracy
 - Verify the data on the September Value Worksheet as soon as possible as these are the values used to determine levy rates



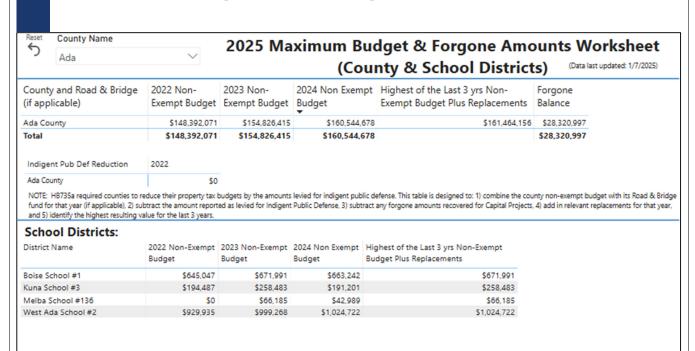
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Max Budget & Forgone Worksheet



NOTE: School districts' only non-exempt fund is the Tort fund, so this table is designed to: 1) identify each school district's levy amount for the tort fund in each of the last 3 years, 2) add in any property tax replacements that were used to reduce the tort fund's levy amount, and 3) identify the highest value for the last 3 years.





Max Budget & Forgone Worksheet

County Name	Category Name			(All Other	r Districts)		
Ada 🗸	All	~			-	(Data last updated	± 1/9/2025
District Name		2022 Non-Exempt Budget	2023 Non-Exempt Budget	2024 Non Exempt Budget	Highest of the last 3 yrs Non- Exempt Budget Plus Replacements	Forgone Balance	Sort#
City of Boise		\$174,045,011	\$179,325,518	\$188,828,383	\$190,201,007	\$5,674,736	2
City of Eagle		\$4,490,018	\$4,762,748	\$4,944,299	\$4,954,689	\$176,646	3
City of Garden City		\$4,909,307	\$5,126,649	\$5,379,942	\$5,441,441	\$102,705	4
City of Kuna		\$4,170,124	\$4,465,842	\$4,806,450	\$4,819,942	\$0	5
City of Meridian		\$45,363,233	\$47,406,839	\$50,726,863	\$50,959,108	\$4,208,116	6
City of Star		\$1,730,572	\$1,864,883	\$2,014,430	\$2,018,884	\$663,040	7
Ada County Ambulance		\$7,989,843	\$8,391,930	\$8,804,593	\$8,852,956	\$94,060	12
Dry Creek Cemetery		\$221,652	\$231,647	\$231,647	\$232,395	\$0	13
Fairview Cemetery (Ada/Can	yon)	\$88,335	\$95,317	\$103,019	\$103,978	\$0	14
loplin Cemetery		\$40,235	\$0	\$41,946	\$42,336	\$1,127	15
Kuna Cemetery		\$246,115	\$255,974	\$264,079	\$265,743	\$0	16
Melba Cemetery		\$26,413	\$27,787	\$29,469	\$30,700	\$890	17
Meridian Cemetery		\$673,906	\$712,892	\$750,538	\$753,404	\$131,415	18
Star Cemetery		\$137,943	\$148,614	\$159,780	\$160,318	\$45,058	19
Ada County Pest Control		\$743,149	\$780,414	\$812,927	\$816,924	\$155,443	20
North Ada Fire & Rescue		\$5,731,671	\$6,004,229	\$6,250,184	\$6,291,010	\$0	21
agle Fire		\$10,749,787	\$11,464,034	\$12,086,009	\$12,113,879	\$142	22
Kuna Fire		\$2,698,696	\$3,642,716	\$3,874,775	\$3,892,926	\$0	23
OTE: Non-exempt budget amount arm tax revenue and subtracts forg			section 63-802, Idaho C	ode. The "Highest of the	e Last 3 yrs Non-Exempt Budget Plus Replace		include sol



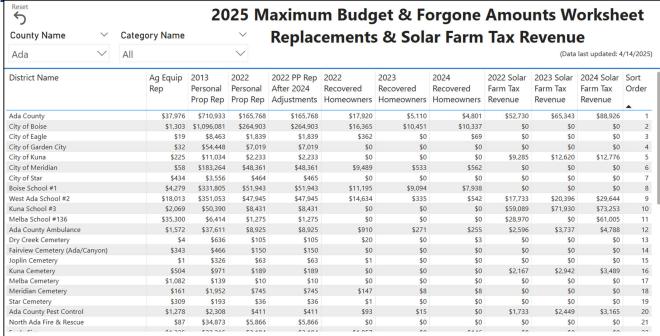
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Max Budget & Forgone Worksheet



Previous

NOTE: The 2022 Personal Property Replacements were first deducted from districts' levying authority in tax year 2023, so these replacements should be added back in to the 2023 & 2024 budgets but NOT budgets from prior years. The 2022 Personal Property Replacements were updated for 2025 to properly account for the appropriation between cities and highway districts. Solar Farm Tax Revenue is NOT added to non-exempt budget for annual increase calculations (NOT a form of replacements).



Levy Review Process

- Goal identify more ways to limit and identify errors
- · Review values input into the L-2 form
- · Check levy rate limits and make sure there are no violations
- Watch School District Tuition funds only the following school districts can levy for this fund
 - Swan Valley Elementary #92
 - Arbon School #383
 - Avery School #394
- Watch for districts failing to report unexpired bonds & other voterapproved funds
- Watch for school districts failing to subtract proper amount received from the School District Facilities Fund from their bonds. temporary supplementals, or plant facilities funds



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Canvass of Vote

- For every new voter-approved fund, a canvass of votes must be submitted
- Must include:
 - District name
 - Type of fund (temporary override, bond, etc.)
 - Percent of vote in favor
 - May also include count of all votes for & against
 - Term length of the fund (years)
- Also be sure to complete the voter-approved fund tracker in the L-2 Excel spreadsheet

Voter Approved Fund Tracker Attach to L-2 Form If Applicable								
District Name:								
Fund Name	Date of Election (If current year, attach copy of Ballot)	1st Calendar Year Levied	Term of Initiative	Annual Amount Authorized by Voters				
Supplemental Funds								
Temporary School Supplemental (IC §33-802(3))								
Permanent School Supplemental (IC §33-802(5))								
Plant Faciliites to Transfer to Supplemental (IC §33-804)*								
Plant Facilitie	s & COSA Funds							
Plant Facilities (Maximum of 10 yrs)								
If voters approved an increase in the annual amount but did not change the term enter the amount of increase here:								
Safe School Plant Facilities (Maximum of 20 yrs)								
If voters approved an increase in the annual amount but did not change the term enter the amount of increase here:								
COSA Funds (50% Voter Approval 10 year)								
COSA Maintenance (2/3 Voter Approval 10 year)								
COSA Plant Facilities (3 years)								
*Cannot exceed annual amount of Plant Facilities approved by voters								

District Bond Initiative (Voter Approved Bonds)							
Date of Election (If current year attach copy of Ballot)	1st Calendar Year Levied	Term of Initiative	Amount Authorized by Voters	Prior Year P-Tax \$	Current Year P-Tax \$	% Change (+/- 20% Explan- ation Required)	"YES" = Explanation Required
	0	irrent Vear's Tot	al Bond Fund /Da	norted on I-2 Col. 6):	٠.		

Explanation (If Required): Attach to your L-2 form and return to your County Clerk



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Changing a District's L-2

- When any change is made to a district's L-2 spreadsheet, you should document what was changed and why
- · Notify the district via email and/or phone

Web-Based L-2 Forms

- All counties must use the Web L-2 for submitting their levies
 - Ensure the fund you select is the fund that is levying
 - New Excel L-2 spreadsheet will be available soon at: https://tax.idaho.gov/taxes/property/property-tax-forms-guides-by-category/

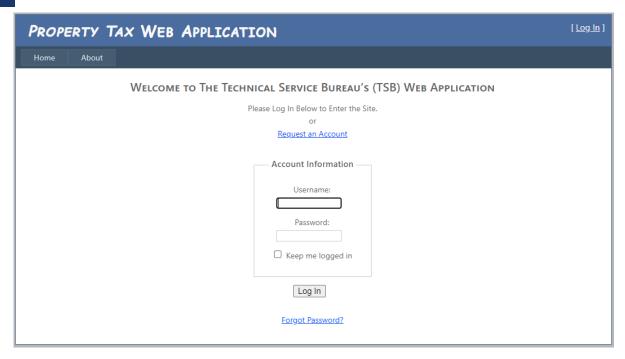


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Web-Based L-2 Forms



Link: https://tsb.tax.idaho.gov



Update Contact Information

Washington County's L2 Data Entry with Levy Calculation for Tax Year 2024 Select a Category: COUNTY Value Verification and Information Verified Values L2 Entry Name Net Value Washington County \$1,393,518,468 Select Washington County District Information Budget, Urban Renewal, and Levy Information District Contact Information Proportionate Total P-Fund Donna White Delete URD Fund Name Increment Levy Rate P-Tax Fund Address: 256 E. Court St Current City: Weiser Expense Delete \$1,385,928 \$1,385,928 0.000994553 Incr. w/Justice Fund 83672 Zip: Phone: (208) 414-2092 0.000171553 2 Delete \$239,062 \$239,062 Tort (208) 414-3925 Email: dwhite@washingtoncountyid.gov Add Delete Justice \$2,786,954 \$2,786,954 0.001999940 Incr. Update Contact Information Fair \$0 0.000062448 Operations \$87,023 \$87,023 Delete Review contact information on the Web L-2 and update accordingly

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Entering Funds

New Fund Entry Taxing District(s) Adding A Fund Will Affect the Following County(s) ADA CANYON

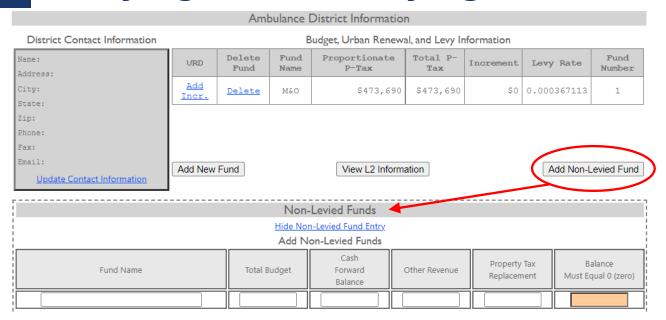
Fund	Total Approved Budget	Cash Forward Balance	Other revenue NOT shown in Column 5	Property Tax Replacement From L-2 Worksheet	Balance to be Levied Col. 2 minus (Cols.3+4+5)
1	2	3	4	5	6
*63-1305 Judgment 🔻					

When you select "Add New Fund," this drop-down menu shows up.

If the fund was levied last year, an asterisk (*) will be to the left of the fund and it will show up at the top of the list.

Overrides must be specified as temporary/permanent.

Levying vs Non-Levying Funds



Use the "Non-Levying" fund area to enter any fund with no property tax amount even if the fund has authority to levy property taxes



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Entering School Funds

New Fund Entry

Taxing District(s)

Adding A Fund Will Affect the Following County(s) PAYETTE WASHINGTON

Fund	Total Approved Budget	Cash Forward Balance	Other revenue NOT shown in Column 5	Replacement From	Revenue from School District Facilities Fund	Col 2 minus
1	2	3	4	5	6	7
Please Select						

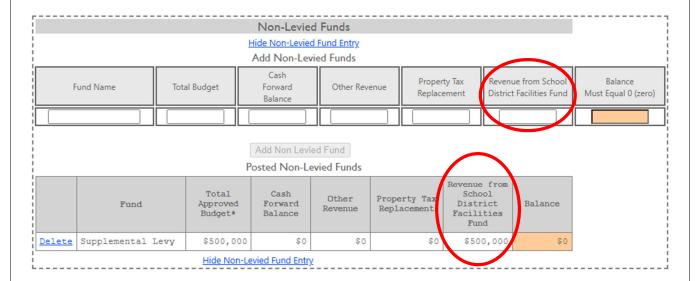
Information pertaining to Revenue from School District Facilities Fund:

- This revenue must first be applied to reduce levies for any applicable bonds
- Remaining funds must then be applied to reduce levies for any applicable temporary supplementals
- Any remaining funds must then be applied to reduce levies for any applicable plant facilities funds
- If a district will not be levying for bonds or temporary supplementals and it will be reserving funds for future facility needs, this can be reported by creating a non-levied fund labeled 'Facility Reserves' and inputting a negative cash forward balance equal to the amount of School District Facilities Fund revenue being

School districts will need to report the amount received from the School District Facility Fund and show where it has been applied to reduce property tax or reserved.



Entering School Funds



If nothing is being levied for bonds, temporary supplementals, or plant facilities and not all School District Facility Fund revenue has been reported, may show the rest as a non-levied fund with negative cash forward balance (reserved)



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Words of Caution...

- Make sure the county's value reported on the September Value Worksheet matches what is reported on the county abstract
- Also, check operating property report against September Value Worksheet to ensure district values assigned correctly
 - Especially watch for fire districts that have NUG values if reported with operating property
- Make sure that all property tax replacements listed on the L-2 worksheet are reported in column 5 of the L-2 form
 - If absent, we will assume that it has not been deducted
- Watch values of Fire and Ambulance districts
 - These districts can determine the type of property on which they will levy taxes
- Flood, Levee, Infrastructure, Watershed Improvement, and Herd districts levy ONLY on real property (abstract required)

Words of Caution...

- For districts in an Urban Renewal (U/R) Revenue Allocation Area (RAA), be careful which value is used to set the levies
 - Remember only qualifying funds are subject to using the U/R increment value for levy-setting purposes
 - RAAs with annexations have special considerations
 - Possibility of using several different values to set levies for one taxing district
 - Pay attention to fire / ambulance district participation in UR
- Watch levy limits (e.g., School Emergency fund)
- Levy calculation sheet provides an area to show maximum levy rates and lets you know if a limit is exceeded



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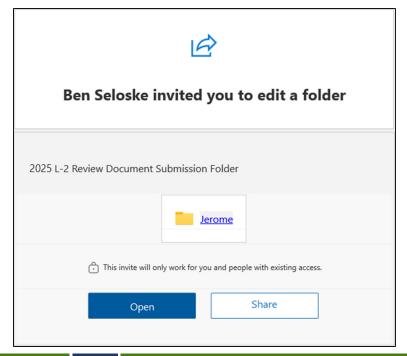
Submitting 2025 L-2 **Documentation**

- Remember to include:
 - Excel L-2 Workbook
 - Budget Hearing Publications
 - If applicable:
 - Resolutions (Recovered/Reserved Forgone)
 - Canvass of Votes for new voter-approved funds
 - Recovered/Recaptured Property Tax & Refund List



Submitting 2025 L-2 Documentation

 You will receive an email that looks like this:





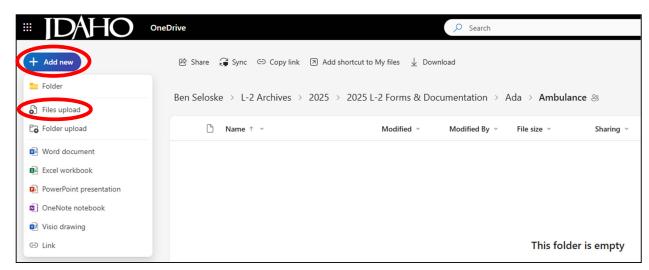
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Submitting 2025 L-2 Documentation



- The link brings you to a OneDrive folder where you can upload files
- It may ask you to login with your Microsoft / Windows login

Submitting 2025 L-2 Documentation

- Notify me (Ben) via email when you have finished uploading files for your county
- I will remove your ability to modify the OneDrive folder and we will begin the L-2 review
- Changes after that point can be sent via email



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https://forms.office.com/g/K5qfViBC7k





Q & A

What questions do you have for us?



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Appendix

- Terminology
- Exempt Fund List
- Max Statutory Levy Rates
- > Effects of consolidation/boundary changes on bonds
- At Max Levy Issues
- Computation of Forgone Amounts
- 3-Year Budget Trap
- Special Situations
- Elections Dates Overrides
- > Fire/Ambulance District Exemptions
- City/Highway Split
- District Formations/Alterations
- Other Budget & Levy due dates
- Homeowner's Exemption Value loss
- Highway Districts & Urban Renewal

Terminology

- **Net taxable market value** total value of property within the boundaries of a taxing district, less exemptions
- Budget for the purposes of this presentation, unless otherwise indicated, budget refers to the property tax portion of the budget
 - Non-exempt funds (subject to 3% cap) refers to those funds not specifically exempted from the provisions of I.C. §63-802
 - Exempt funds (not subject to 3%) bonds, overrides/supplemental (temporary & permanent), I.C. §63-1305 Judgments, and Library or Community College Plant Facilities
- Levy Rate refers to a rate that is determined by dividing the district's individual fund(s) p-tax budget by the district's net taxable market value
 - Sometimes includes urban renewal increment (e.g., new voterapproved levies)



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Terminology

- Approved non-exempt property tax budget non-exempt property tax dollars as approved by the STC including agricultural equipment & other p-tax replacement/recovery monies
- Property tax replacement the sum of the agricultural equipment replacement & personal property replacement
- Recovered/Recaptured Property Tax and Refund List amount of revenue distributed for Solar Farm Tax, Recovered H/E, & QIE. Information provided by each county
- Non-exempt property tax to be levied certified property tax budget minus Property Tax Replacement and Recovered/Recaptured Property Tax and Refund List funds, including I.C.§63-1305C recoveries



Terminology

- Locally assessed property
 - Real & personal property
 - Assessed by each county
- Centrally assessed property
 - Operating property utilities & railroads
 - Assessed by the State Tax Commission



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School District Funds Exempt From 3% Annual Increase Cap (I.C.§63-802)

Fund	Statute
Temporary Supplemental	I.C. §33-802(3)
Permanent Supplemental	I.C. §33-802(5)
Emergency	I.C. §33-805\63-805
Judgment	I.C. §33-802(1)
Tuition: Eligible Schools #92, 383, and 394	I.C. §33-1408
Cooperative Service Agency (COSA)	I.C. §33-317(2): 2/3 voter approval 10 yr. limit.
State Authorized Plant Facilities	I.C. §33-909 (levied by county in area of school district)
Plant Facilities	I.C. §33-804: 10-year limit.
Safe Schools Plant Facilities	I.C. §33-804A: 20-year limit.
COSA Plant Facilities	I.C. §33-317A
Budget Stabilization: Eligible Schools #61, 92, 394, and 421	I.C. §33-802(2): Each has set maximum property tax budget.
Judgment	Refunds related to value appeals (ex. Board of Tax Appeals) See I.C. §63-1305 for details.

Non-School Funds Exempt from 3% Annual Increase Cap (I.C. §63-802)

Fund	Description
Temporary Override	All taxing districts have authority. 2-year maximum duration; requires simple majority to pass. <u>Total of fund and override</u> <u>levy rate can't exceed the fund's levy limit</u> .
Permanent Override	All taxing districts have authority. Most need a 2/3 majority to pass. Qualifying cities have additional version that requires only 60% voter approval to pass. <i>Total of fund and override levy rate can't exceed the fund's levy limit</i> .
Bond	Refer to authorizing statute for specific requirement, but all require 2/3 majority voter approval.
Plant Facilities	Available to Library and Community Colleges as well as schools. See I.C. §33-804 for details.
Judgment Funds	All taxing districts – based on judgments under §63-1305



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Max Statutory Levy Rates

Currently available on the STC's website here:

https://tax.idaho.gov/taxes/proper ty/property-tax-forms-guides-bycategory/

MAXIMUM STATUTORY LEVY RATES

This sheet is intended as an aid to help find maximum statutory limits of funds for all taxing districts. Where there is no specific decimal amount, refer to code section to insure correct application of law.

XING AUTHORITY	IDAHO CODE	MAX RATE		
COUNTY				
Airport		.0004		
Ambulance Service		.0002 (No new funds after – 7/1/20)		
Appraisal Program	63-314	.0004		
Armory Construction	46-722 al levy cannot exceed max levy.	.0002		
Bond Redemption	63-805, 31-1903	See Code		
Building Construction	be held to create this fund	.0006		
Current Expense	0,000 whichever is greater. e maximum levy rate is	.0026		
Justice Or a levy sufficient to raise \$250		.002		
District Court	31-867	0004		

Consolidation/Boundary Changes & Bonds

Territory Withdrawn From District			
Fire District: (I.C. §31-1437)	Shall continue to be subject to taxation for the payment of the principal of and interest on any indebtedness.		
Cities: (I.C. §50-225)	Such alteration shall not relieve any territory excluded from the limits of a city from its liability on account of any outstanding bonded or other indebtedness of such city.		
Consolidation of District			
Library: (I.C. §33-2710(4))	Existing bonded debt of any district or districts shall not become the obligation of the consolidated library district. The debt shall remain an obligation of the property which incurred the indebtedness.		
Hospital: (I.C. §39-1356)	Existing bonded debt of any district or districts shall not become the obligation of the consolidated hospital district.		
School: (I.C. §33-311)	The debt shall remain an obligation of the property which incurred the indebtedness.		



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At Maximum Levy Rate?

- All districts have the availability to levy for comprehensive liability plan; it is called a Tort fund and it has no levy limit
 - It is part of your 3% property tax budget limit.
- Some districts have multiple property tax funds available (for example cities)

Computation of Forgone Amounts

- If recovering forgone amounts:
 - L-2 worksheet: line 19 minus line 20 & 21 = next year's forgone balance
 - Assumes the district uses all the budget capacity requested
 - If you ask for \$100 but only budget for \$90, you recover \$90 in forgone amounts and the \$10 remains in the forgone balance
- If reserving forgone amounts:
 - L-2 worksheet: sum of 3% (line 2), new construction (line 7), annexation (line 12), and urban renewal budget increases (line 15)
 - As long as the 3%, N/C, & annexation do not exceed 8% increase
 - If levying less than the max allowable (line 36), then these increases may be reserved for the future



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3-year Budget Trap

In the example below, what is the highest budget of the last 3 years (including p-tax replacements and substitute funds) and what year did it occur?

2022	2023	2024
\$ 629,405	\$ 547,139	\$ 581,165

Answer: \$629,405 in 2022

Assuming this district levies \$545,000 in 2025, what will be the highest budget of the last 3 years and what year did it occur?

Answer is: **\$581,165 in 2024**

Special Situations

- Newly created districts those formed during 2024 or first eligible to levy property taxes in 2025. No district is eligible to levy in year of formation (I.C. §63-807). Property tax budget may equal statutory maximum levy rate multiplied by 2025 net taxable value.
- Districts which did not levy during 2022, 2023, and 2024 –
 limited to the total non-exempt dollar amount of the district's last
 property tax budget, excluding any available forgone amount,
 provided this amount does not result in a levy which exceeds a
 statutory levy rate.
- Districts never levying property tax, exempt or non-exempt –
 those formed before 2025 that have never levied any property
 taxes. Property tax budget may equal statutory maximum levy rate
 multiplied by 2025 net taxable value.



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Elections & Dates

- Election Consolidation (I.C. §34-106)
 - Most elections are handled by the county clerk. Provide ballot language as soon as you can, however, final ballot wording needs to be submitted to the county(ies) no later than the 10th Friday prior to the election day (HB 278 in 2025).

District Election Dates 3rd Tuesday in May Tuesday following the 1st Monday in November

If joint, involve all county clerks.



Overriding the 3% Budget Cap

- Available to all types of taxing districts
 - Two (2) year override
 - Simple majority to pass
 - Temporary expires in 2 years
 - Not allowed a 3% increase
 - Permanent override
 - 2/3rd majority to pas (60% for qualifying cities)
 - Resets the non-exempt portion of a taxing district's property tax budget
 - Included in following year's 3% calculation
 - Both are fund-specific
 - Cannot exceed fund's levy limit (except highway district)
 - Schools have similar provisions for supplemental
 - A district's combined fund and override levy cannot exceed the fund's levy limit



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Overriding the 3% Budget Cap

Reporting overrides on the L-2 form:

- An override is fund-specific, usually overrides the M&O or general fund.
 The combined override and M&O fund levy rates can't exceed the
 maximum levy rate of the M&O fund. In this example the maximum levy
 rate is 0.0024.
- Assumption: The 2025 net taxable market value is \$495,600,000. The
 levy rate for the M&O is 0.001510498 and the permanent override levy is
 0.000840886 which totals 0.002351384. The total is less than the M&O
 maximum levy rate.

Overriding the 3% Budget Cap

Reporting overrides on the L-2 form:

- This example reflects a permanent override
- To compute future increases, next year's highest of the last 3 year's nonexempt p-tax budget would be \$1,520,806

	2025 Dollar Certification of Budget Request to Board of County Commissioners L-2				
(the "L-2 W	orksheet" and applicab	le "Voter Approved Fund	Tracker" and budget pub	lication must be attached)
District Name:	Example				
Fund Name	Total Approved Budget*	Cash Forward Balance	Other revenue NOT shown in Column 5	Property Tax Replacements and Other Subtractions (Line 29 + Line 32 of 'L-2 Worksheet'")	Balance to be levied Col. 2 minus (Cols. 3+4+5)
1	2	3	4	5	6
M&0	\$1,206,630			\$6,436	\$1,200,194
NON-LEVIED FUNDS (must net zero)					
Column Subtotal:	\$1,206,630			\$6,436	\$1,200,194
				\$1,200,194	
	Exempt Funds				
(Bonds, Overrides, & Judgment Funds)					
Permanent Override	\$417,612	\$94,000	\$3,000		\$320,612
Column Subtotal:	\$417,612	\$94,000	\$3,000		\$320,612
Column Total:	\$1,624,242	\$94,000	\$3,000	\$6,436	\$1,520,806



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Override Cautions

- · Advise against including levy rates as part of ballot question
 - If voters approve the rate on the ballot and the values drop, the voterapproved levy rate would NOT generate the amount of money the district expected
 - In a permanent override, the binding effect of the rate could prevent future budget increases or even raising the same amount
 - Levy rate may be used as part of an example for demonstrating effects on taxpayers
- Use as much statutory language as possible (I.C. §63-802)
 - Consider terms such as "exceed" or "override" rather than "serial" (not found in law)
 - Don't use "Advisory" vote if you mean to implement override



Ballot Language

- STC is offering to review taxing district property tax-related ballot measure's language before ballots are printed
- Bonds only I.C. §34-913 outlines information that is to be on the official statement and the ballot for bonds
- Non-bond issues (I.C. §34-914) Shall include in the ballot question or in a brief statement on the ballot but separate from the ballot question substantially as follows:
 - Purpose which the levy shall be used; date of election; and dollar amount estimated to be collected each year from the levy;
 - Estimated average annual cost to taxpayer in the form of "A tax of \$
 per \$100,000 of taxable assessed value, per year, based on current
 conditions; and
 - The length of time reflected in months or years in which the proposed levy will be assessed
 - If replacing existing levy of same type, may include additional statement about the end of the previous levy and the proposed change in cost per \$100,000 of taxable assessed value



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Plant Facilities Fund Notes

- School, Library, and Community Colleges are the only taxing districts with authority to have this type of fund
- Various election majorities required
 - From 55% to 2/3
- Refer to I.C. §33-804 for details



Fire & Ambulance District's Discretionary Exemptions

- Fire I.C.§31-1425(2)
- Ambulance I.C. §31-3908A
- The Board of County Commissioners, upon application, may, by an ordinance enacted no later than the 2nd Monday in July, exempt all or a portion of the unimproved real property within the district from taxation, and may exempt all or a portion of the taxable personal property within the district from taxation. Note: Formation ballot language can make this option moot
- Any ordinance must provide that each category of property is treated uniformly
- Notice of intent to adopt an ordinance which exempts unimproved real property shall be provided to property owners of record in same manner as required in I.C.§67-6511(2)(b) (zoning district boundary change)
- Documentation required if option is used



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Rule 808 – Documentation by Taxing Districts

- If an Ambulance or Fire district elects the property categories to be taxed, documentation of such election must be provided to each county clerk
- No documentation required if taxable categories limited by statute (i.e. Flood Control cannot levy on personal property)
- County clerk must provide documentation to STC by the 1st Monday of August each year





Utility Agreements:

- · All public utilities shall be exempt from taxation by fire districts
- The board of fire protection commissioners may enter into an agreement with a public utility for the purpose of affording protection provided by the fire district to all, or such portion, of the property of the public utility as may be agreed upon. Any such agreement must be signed by both the fire district and the public utility.
- Copies of any agreement must be filed with the county clerk and the State Tax Commission. Considered in effect until cancelled by either party
- NUGs: Non-utility generators (e.g., small Hydros, and Anaerobic Digestors) pay property taxes to fire districts. No agreement required.



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Fire District Budgets w/Utility Agreements (I.C.§63-802(2))

- · A one-time budget increase is allowed
- The same utility property cannot be double-counted if an agreement lapses and is replaced with a new agreement

Example:

2025 value of consenting utility \$5,000,000

Fire district's 2024 non-exempt levy rate X 0.0018

Additional budget allowance \$9,000

(built into base for future 3% increases)



Highway/City Fund Sharing

- I.C.§40-801(1)(a) states that any levy made shall be proportionately apportioned (50% of this fund's levy applied to taxable property within cities in the districts) to all cities within the highway district boundary
 - On the L-2, show the entire amounts: <u>DO NOT</u> deduct the amount anticipated for the cities
- No other property tax fund is shared with the cities
- If the highway district certifies a levy as "M&O" or "General" it is assumed to be I.C. §40-801(1)(a) levy and revenue is split with the cities in the district



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Example of City/Highway I.C.§40-801(1)(a) Split Computation

Computation of City/Highway M&O Split

Enter the Highway District's Net Taxable Value Below: 201,609,913

Enter the Highway District's 40-801 (1)(a) levy rate:

0.001478221

= \$298,024 Total P-Tax levied

Enter City Name below:	Enter the Net Taxable Value for the City	Estimated Hwy M&O Split For Each City
City A	33,665,425	24,882.47
City B	20,225,223	14,948.67
City C	13,686,965	10,116.18
		0.00
		0.00
		0.00
		0.00
Total to cities:	67,577,613	49,947.32

- This example multiplies the §40-801(1)(a) fund's levy rate by the city's net taxable value and divides the result by 2
- This is the estimated amount that will be distributed to the city from the total property tax collection of the fund
- Note: The highway district should certify \$298,024 for its property tax budget.
 - It will receive \$49,947 less



District Formation/Alterations

General document requirements:

Applies to RAAs too!

- An ordinance, order, or resolution must:
 - Be recorded with the county clerk, filed with the county assessor, and signed by the appropriate authoritative official
 - Include a legal description describing the boundary of the formation/alteration
 - Include a legible map that matches the legal description and clearly identifies the boundary of the formation/alteration
 - Provide current contact information for the taxing district
- Important dates & deadlines:
 - A hard copy must be filed with the STC within 30 days of the effective date of formation/alteration, but no later than January 10th of the effective year
 - o The ordinance, order, or resolution must be signed by December 31st to be reflected in the changes for the next effective year

Send hard copies to:

Idaho State Tax Commission, Attn: GIS Dept, P.O. Box 36, Boise, ID 83722-0410

Email: qis@tax.idaho.gov Phone: 208-334-7718

For more information, please visit the link "How to Submit an Annexation" on the ISTC

GIS/Cartography website: https://tax.idaho.gov/gis/

Reference: I.C.§63-215, Idaho Administrative Rule 35.01.03 Section 225



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Election to Create a New Taxing District

- I.C.§63-802C
- County clerk where proposed taxing district is to be shall:
 - Mail notice of election to all residences/residents who are eligible to vote
 - Notice to be mailed not less than 14 days prior to day of election
 - Shall state with specificity purpose of election
 - Date of election
 - Polling places
 - Time the polls will be open
 - Aggregate amount of taxes that will be raised in the proposed district and the increase that will occur per \$100,000 of taxable value of property, above any exemptions, of residential property, commercial property, industrial property, land actively devoted to agriculture and operating property
 - County clerk may bill the proposed taxing district for replacement of costs of administering this section
- Compliance with this section shall satisfy any notice or publication requirement as may be provided by law



Changing Name of Taxing District

- I.C.§67-2321
 - Governing body of a taxing district must follow publication and hearing rules
 - Certified copy of the resolution must be filed with the STC and with the county recorder of each county in which the jurisdiction is situated



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Other Budget & Levy Due Dates

Statute or Rule	What is Due to STC
805.03 (By 4 th Monday of May)	Notice of Budget Hearing Non- Compliance List.
63-509(1) (by 4 th Monday of July)	Abstract of Value (All districts)
63-1312(2) (Prior to 1st Monday August)	Provide taxable value by district (A-2)
63-808 (1) (on or before 3 rd Monday September)	Send certified copy of levies authorized and fixed by the county commissioners.
IDAPA 35.01.03.803 (by 1st Monday August)	Recovered/Recaptured Property Tax Substitute Funds List

Above is a list of some other due dates where the county is to submit information to the STC



New Construction Value Loss to H/E

 Taxing districts can choose to take the decrease in value resulting from the increase in the homeowner's exemption (from \$100K to \$125K) and subtract that value from their current year's new construction



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Highway Districts & Urban Renewal

- In certain cases, all highway district generated tax on increment values go to the highway district
- · Conditions to be met:
 - The urban renewal RAA is formed or annexes on or after July 1, 2020
 - The urban renewal agency does <u>NOT</u> have responsibility for maintenance of roads/highways within the highway district
 - There is no agreement between the urban renewal agency and the highway district for an alternate allocation of property tax revenue
- Does NOT change levy rate calculations for highway districts
- If there are agreements, they must be submitted to the county clerk by Sept 1st to be in effect for budget and levy season (copies sent to STC)
- Money allocated to the highway district is not considered replacement dollars and will not be included in calculating budget limits





Highway Districts & Urban Renewal

- New RAAs with Hwy districts:
 - Bonneville (R&B), Canyon, Jerome, Minidoka, Teton, & Twin Falls counties
- Should check with UR agency whether agreement has been made or is in process
- Without agreement, tax generated by highway district levy on increment value in these new RAAs will go to the highway district



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