

A wide banner image showing a scenic view of Idaho mountains under a blue sky with white clouds. The foreground features a line of green evergreen trees. The text "Idaho State Tax Commission" is overlaid in white.

# Idaho State Tax Commission

## 2022 Budget and Levy Training School District Session

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



State Tax Commission

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# Today's Instructors

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- Tax Commission Web Page: [www.tax.idaho.gov](http://www.tax.idaho.gov)



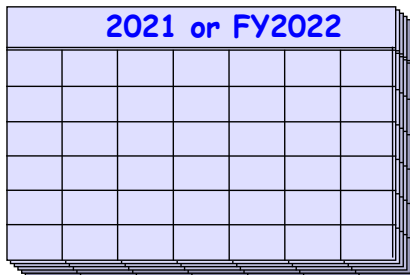
## Agenda

- General Overview
- 2021 & 2022 Legislative Changes
- School District Levy Information
- Break (10-15 mins)
- Calculating Maximum Tort Fund Property Tax Budget
- Required Forms



# What Year Are We Talking About?

- Throughout this presentation, when we refer to a calendar year, we are referring to the year in which your property tax budget is being certified.



Now which year am I supposed to use?



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## Limitations

- Focus is on revenue, not expenditures
  - State Tax Commission (STC) does **NOT** oversee or govern expenditures
  - Expenditure questions go to:
    - Dept of Education
    - Independent Auditors
    - Legal Advisors
  - Carry over authority varies
- Assume compliance with budget hearing and other publication requirements (until challenged)



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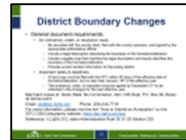
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# School District Budget & Levy Responsibilities

- Notify each County Clerk of budget hearing date and location
  - Written notification required (due April 30<sup>th</sup> each year)
- Set your budget
  - Provide required advertisements for budget hearing
    - Dates, location, times
    - Publication of proposed budget
- Certify budget to County Commissioners, make sure that you sign your L-2 form before you submit it to the county
  - Due by Sept 8<sup>th</sup>, 2022 unless a 7-working day extension is granted by the county (then Sept 19<sup>th</sup>)
  - School Emergency Funds – Sept 12<sup>th</sup> (2<sup>nd</sup> Monday of Sept)



Note: Includes Charter School Districts but not Charter Schools – which have no independent authority to levy property taxes



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## County's Roles

- **Assessor:**
  1. Provides locally assessed property value information to county clerk
  2. Develops new construction roll
- **County Clerk:**
  1. Provides value & tax information to Taxing Districts
  2. Provides information to County Commissioners
  3. Provides information to STC
  4. Distributes tax receipts and other revenue to districts
  5. 2022 Only – List personal property accounts (\$100K-\$250K) and send to STC by Nov
- **County Commissioners:**
  1. Set levy rate
  2. Approve property tax portion of budget
  3. Submit levy & approved budget to STC (9-19-2022 or 9-26-2022 with extension)



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# State Tax Commission Roles

1. Review and approve levy rates and property tax portion of budget to ensure limits not exceeded (10-24-2022)
2. Determine and apportion operating property values
  - Preliminary values in July
  - State Board of Equalization finalizes by 4<sup>th</sup> Monday in August
  - Final values in September (9-5-2022)
3. Provide technical support & assistance; develops administrative rules (when allowed)
4. Map boundaries of each taxing district and urban renewal revenue allocation areas
5. Distribute sales tax revenue sharing and property tax replacement dollars



## Legislative Changes



# 2021 Legislation – HB389

| 2021 General  | 2021 Budget and Levy  |
|---|---|
| <ul style="list-style-type: none"><li>• Homeowner's Exemption up to \$125,000</li><li>• Site improvement exemption lost on completion of improvement</li><li>• Circuit Breaker brackets increased to a max of \$1,500</li></ul>   | <ul style="list-style-type: none"><li>• New construction rolls will include change of land use only when associated with a building</li><li>• New construction rolls will include 90% of the NC value (80% if an UR dissolves) and 90% of annexed value</li><li>• New construction budget capacity calculations are based on the preliminary levy rate.</li><li>• Sum of 3%,NC, and annexation <math>\leq</math> 8%</li></ul> |
| 2022 General  | 2022 Budget and Levy  |
| <ul style="list-style-type: none"><li>• Disqualified from Circuit Breaker if assessed home value is over 125% of the median</li><li>• Transient Personal Property exempt</li><li>• \$250,000 Personal Property exemption (replacement money to be recalculated in 2022)</li></ul> | <ul style="list-style-type: none"><li>• Discretionary subtraction from new construction for homeowner's exemption above \$100,000</li><li>• 3<sup>rd</sup> Monday of November personal property amount by district is to be calculated</li></ul>  |



# 2021 Legislation – HB 389

## Personal Property Exemption Increase:

- Exemption raised from \$100,000 to \$250,000
- Exempt values are still used in 2022 levy rate calculation, property taxes on newly-exempted personal property values will be paid by the state

## Transient Personal Property:

- Fully exempted
- No replacement monies



# 2022 Legislation

- SB 1249 – Taxing District Budgets
  - Dissolving Urban Renewal budget growth may exceed the 8% restriction
  - Provisions regarding forgone amounts do not affect school districts



## 2022 Legislation (Cont'd)

- HB 481 – Property Tax Reduction (Circuit Breaker)
- Amends I.C. §63-705 to disqualify Circuit Breaker applicants whose assessed home value is more than the greater of:
  - \$300,000
  - 150% of the county median value
- Disqualified applicants referred to the Property Tax Deferral Program
  - Apply by Sept 6<sup>th</sup>, 2022





# Legislative Changes Incoming

## HB 673

- Disqualifies land change of use from new construction roll
- Reduces new construction budget increases
- Tax year 2023



## School District Levy Information





# Non-Exempt School District Funds Subject to 3% Cap – I.C. §63-802

- The 3% cap applies to the sum of the funds listed below
- Tort/Liability Insurance: I.C. §6-927 – no levy rate limit; liability insurance premiums only
- Migrant Worker\*: I.C. §33-803 (limit = 0.001)
  - If the total M&O and Migrant Worker levy rate exceeds 0.0006, an election for this fund must be held; a majority of the voters must approve the fund.

\*Never been used so 3% limit applies to tort fund

Note: School districts are not eligible to use forgone amounts.




# School District Exempt Funds

- **Tuition:** (I.C. §33-1408) – no levy rate limit
- **Judgments:** (I.C. §33-802) – refer to code for details
- **Judgments:** (I.C. §63-1305)
  - When board of tax appeals or any court orders a refund of any property taxes imposed
- **Emergency:** (I.C. §33-805 & §63-805)
  - Levy rate limit = 0.0006
  - Refer to code for details
- **Supplemental (override):** (I.C. §33-802)
  - No levy rate limit
  - Can be permanent or temporary (2-year term)
    - Both require majority vote



# School District Exempt Funds

- **Plant Facilities: (I.C. §33-804)**
  - Up to 0.0004 in the 1<sup>st</sup> year only (10-year term), then only capped based on ballot measure language
  - Varying election majority requirements 
- **Safe School Plant Facilities: (I.C. §33-804A)**
  - Same basic election rules as regular Plant Facilities levy except term is 20 years and must meet certain criteria (refer to code for details)
- **State-Authorized Plant Facilities: (I.C. §33-909)**
  - Fund authorized by Dept. of Education which certifies a levy rate **each year** to the county/counties of the school district.
  - We need a copy of this certification of levy rate (refer to code for details)



# School District Exempt Funds

- **Cooperative Service Agency (COSA): (I.C. §33-317)**
  - Levy rate limit = 0.001
  - Majority of voter approval, up to 10 years term
- **COSA Facilities Levy: (I.C. §33-317)**
  - Levy rate limit = 0.004
  - 66.67% voter approval, up to 10 years term
- **COSA Plant Facilities Levy: (I.C. §33-317A)**
  - Up to 0.004 each year based on prior year's value
  - Voter-approved for a period of 3 years
  - May have 33-804 Plant Facilities in addition
- **Supplemental Transfer from existing Plant Facilities: (I.C. §33-804)**
  - With voter approval, allows for a stated dollar amount from an existing Plant Facilities to be transferred to and levied as a supplemental (2 years)



# School District Exempt Funds

- **Bond (indebtedness):** (I.C. §33-1103)
  - Capacity based on total value including homeowner's exemption
  - Refer to code for details
- **Maintenance & Operation:** (I.C. §33-802)
  - Use the highest of the actual or adjusted prior year's market value multiplied by 0.00364167
  - **Boise School District #1 Only**



# School District Exempt Funds

- **Budget Stabilization funds:** (I.C. §33-802)
  - School districts not receiving state equalization funds in fiscal year 2006 authorized a "Budget Stabilization Levy"
    - #61 Blaine – \$29,521,352
    - #92 Swan Valley – \$133,871
    - #394 Avery – \$117,520
    - #421 McCall-Donnelly – \$5,658,712
  - These amounts are maximum annual property tax amounts



# Election Dates – School Districts

- **Election Consolidation:** (I.C. §34-106)
  - Most elections handled by the county clerk. Final ballot wording to county 45 days before election.
    - Election dates:
      - 2<sup>nd</sup> Tuesday in March
      - 3<sup>rd</sup> Tuesday in May
      - Last Tuesday in August
      - Tuesday following the first Monday in November
  - In addition, an emergency election may be called upon motion of the governing board of a political subdivision.
    - An emergency exists when great calamity such as: extraordinary fire, flood, storm, epidemic, or other disaster, or if it is necessary to do emergency work to prepare for national or local defense or to safeguard life, health, or property.

Note: If joint, involve all county clerks.



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## Estimating Effects of New Voter-Approved Fund(s)

- Contact EACH county clerk to get the most current net taxable value information
  - Net taxable value **excludes** previously exempted personal property value (but must **include** personal property values newly exempted in 2022)
  - If district is located in a U/R area, also need the net increment value of any RAA in your district
  - Annual p-tax amount divided by the total net taxable value (including all U/R increment) produces a 9-digit levy rate

|                 |  |
|-----------------|--|
| Computation: \$ | 100,000 taxable value of property        |
|                 | <u>x 0.000821989</u> estimated levy rate |
| \$              | 82.20 estimated property taxes           |



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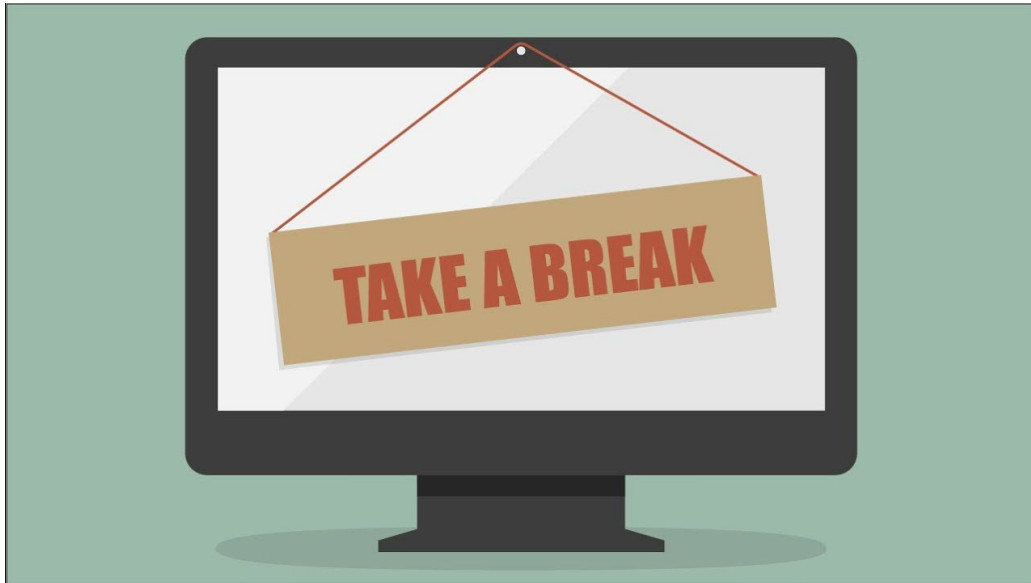
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# Break

Time for a 10-minute break



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## Calculating the Maximum Tort Fund Property Tax Budget




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# Calculating the Maximum Tort Fund Property Tax Budget

- Highest tort fund p-tax budget of the immediate prior 3 years (including any p-tax replacement) increased by 3%
- New construction current year's value multiplied by the preliminary levy rate
  - Value of annexations, if applicable, also multiplied by its respective preliminary levy rate
  - New construction and annexation budget growth capped at 5%
- Expiring urban renewal increment value reduced to 80% and multiplied by the new construction preliminary levy rate 
  - Not subject to the same cap as new construction & annexations
- Sum of all above equals total tort fund p-tax budget
  - Not necessarily what can be levied
- **Minus** any current year's p-tax replacement revenue received
- Results in maximum tort fund p-tax that can be levied



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## Example: Computing 3% Increase

| Year   | 2019    | 2020    | 2021    |
|--|---------|---------|---------|
| Total tort fund p-tax amount levied                                | 124,389 | 130,678 | 136,218 |
| Agricultural Equipment Replacement Money                           | 28      | 28      | 28      |
| Personal Property Replacement Money                                | 1,318   | 1,318   | 1,318   |
| *Recovered Homeowner's Exemption                                   | 110     | 0       | 0       |
| Total Property Tax Replacement monies                              | 1,456   | 1,346   | 1,346   |
| Total tort fund p-tax amount levied plus property tax replacements | 125,845 | 132,024 | 137,564 |

$$\begin{array}{r}
 \$ 137,564 \\
 \times 0.03 \\
 \hline
 \$ 4,127
 \end{array}
 \quad
 \begin{array}{r}
 \$ 137,564 \\
 + 4,127 \\
 \hline
 \$ 141,691 \text{ (total plus 3\% increase)}
 \end{array}$$

$$\begin{array}{r}
 \$137,564 \\
 \times 1.03 \\
 \hline
 \$141,691
 \end{array}$$

\* = Total received by district between July 1<sup>st</sup> thru June 30<sup>th</sup> each year.



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# Max Budget & Forgone Worksheet

| District Name<br>1/19/2022              | Highest of the last 3 years<br>approved non-exempt<br>Property Tax Budget |           |           | Highest non-<br>exempt P-Tax<br>Budget + P-Tax<br>Replacements | 3% Increase<br>(Highest P-Tax \$<br>plus Total P-Tax<br>Replacement x 3%) | Forgone<br>Amount |
|---|---|-----------|-----------|--|---|-------------------|
|   | 2019  | 2020      | 2021      |  |   |                   |
| Jerome County                           | 7,214,062   | 7,316,455 | 7,706,552 |  |   | 148,013           |
| County Road & Bridge                    |   |           |           |  |   |                   |
| <b>Total County Budget Information:</b> | 7,214,062   | 7,316,455 | 7,706,552 | 8,007,781  | 240,233   |                   |
| <b>Cities:</b>                          |   |           |           |  |   |                   |
| Eden                                    | 51,358  | 52,934    | 54,569    | 55,085   | 1,653   | 12,651            |
| Hazelton                                | 139,643   | 143,918   | 148,241   | 151,096  | 4,533   |                   |
| Jerome                                  | 5,047,523   | 5,242,689 | 5,126,554 | 5,321,326  | 159,640   | 340,606           |
| <b>Schools:</b>                         |   |           |           |  |   |                   |
|   | <b>Highest Tort Fund Amount (School Districts Only)</b>                   |           |           |  |   |                   |
| Jerome #261                             | 90,180  | 94,103    | 98,105    | 98,105   | 2,943   |                   |
| Valley #262                             | 41,000  | 41,000    | 41,000    | 41,000   | 1,230   |                   |
| Shoshone #312                           | 43,278  | 44,880    | 46,655    | 46,655   | 1,400   |                   |
| Minidoka #331                           | 120,418   | 125,675   | 130,785   | 130,785  | 3,924   |                   |

- This spreadsheet was changed this year to make it easier to understand and use for budget calculations
- Amounts shown for schools indicate the tort fund before p-tax replacements have been subtracted



# Max Budget & Forgone Worksheet

| District Name<br>1/19/2022              | Detailed Information for Property Tax Reliefs |        |    |         |             |        |    |         |             |        |    |           |         |
|---|---|--------|----|---------|-------------|--------|----|---------|-------------|--------|----|-----------|---------|
|   | 2019  |        |    |         | 2020        |        |    |         | 2021        |        |    |           |         |
|   | Ag Equip \$                                   | PP     | HE | Total   | Ag Equip \$ | PP     | HE | Total   | Ag Equip \$ | PP     | HE | *Rep Used | Total   |
| Jerome County                           | 208,574                                       | 92,655 | -  |         | 208,574     | 92,655 | -  |         | 208,574     | 92,655 | -  |           |         |
| County Road & Bridge                    |   |        |    |         |             |        |    |         |             |        |    |           |         |
| <b>Total County Budget Information:</b> | 208,574                                       | 92,655 | -  | 301,229 | 208,574     | 92,655 | -  | 301,229 | 208,574     | 92,655 | -  |           | 301,229 |
| <b>Cities:</b>                          |   |        |    |         |             |        |    |         |             |        |    |           |         |
| Eden                                    | 73  | 443    | -  | 516     | 73          | 443    | -  | 516     | 73          | 443    | -  |           | 516     |
| Hazelton                                | 233   | 2,622  | -  | 2,855   | 233         | 2,622  | -  | 2,855   | 233         | 2,622  | -  |           | 2,855   |
| Jerome                                  | 1,658   | 76,979 | -  | 78,637  | 1,658       | 76,979 | -  | 78,637  | 1,658       | 76,979 | -  |           | 78,637  |
| <b>Schools:</b>                         |   |        |    |         |             |        |    |         |             |        |    |           |         |
| Jerome #261                             | 52,714  | 47,907 | -  | 100,621 | 52,714      | 47,907 | -  | 100,621 | 52,714      | 47,907 | -  | 100,621   | 100,621 |
| Valley #262                             | 24,091  | 6,439  | -  | 30,530  | 24,091      | 6,439  | -  | 30,530  | 24,091      | 6,439  | -  | 30,530    | 30,530  |
| Shoshone #312                           | 30,114  | 14,676 | -  | 44,790  | 30,114      | 14,676 | -  | 44,790  | 30,114      | 14,676 | -  | 43,278    | 44,790  |
| Minidoka #331                           | 76,853  | 42,280 | -  | 119,133 | 76,853      | 42,280 | -  | 119,133 | 76,853      | 42,280 | -  | 119,133   | 119,133 |

- Ignore “\*Rep Used” column as that is not meaningful anymore and will be removed
- May be restructured more in the future for simplicity
- Total replacements shown here must balance against what is shown in the L-2 (except solar farm tax)





# Max Budget & Forgone Worksheet

| District Name<br>1/19/2022              | Highest of the last 3 years<br>approved non-exempt<br>Property Tax Budget |           |           | Highest non-<br>exempt P-Tax<br>Budget + P-Tax<br>Replacements | 3% Increase<br>(Highest P-Tax \$<br>plus Total P-Tax<br>Replacement x 3%) | 2021        |        |    |           |         |
|---|---|-----------|-----------|--|---|-------------|--------|----|-----------|---------|
|   | 2019  | 2020      | 2021      |  |   | Ag Equip \$ | PP     | HE | *Rep Used | Total   |
| Jerome County                           | 7,214,062   | 7,316,455 | 7,706,552 |  |   | 208,574     | 92,655 | -  |           |         |
| County Road & Bridge                    |   |           |           |  |   |             |        |    |           |         |
| <b>Total County Budget Information:</b> | 7,214,062   | 7,316,455 | 7,706,552 | 8,007,781  | 240,233   | 208,574     | 92,655 | -  |           | 301,229 |
| <b>Cities:</b>                          |   |           |           |  |   |             |        |    |           |         |
| Eden                                    | 51,358  | 52,934    | 54,569    | 55,085   | 1,653   | 73          | 443    | -  |           | 516     |
| Hazelton                                | 139,643   | 143,918   | 148,241   | 151,096  | 4,533   | 233         | 2,622  | -  |           | 2,855   |
| Jerome                                  | 5,047,523   | 5,242,689 | 5,126,554 | 5,321,326  | 159,640   | 1,658       | 76,979 | -  |           | 78,637  |
| <b>Schools:</b>                         |   |           |           |  |   |             |        |    |           |         |
|   | <b>Highest Tort Fund Amount (School Districts Only)</b>                   |           |           |  |   |             |        |    |           |         |
| Jerome #261                             | 90,180  | 94,103    | 98,105    | 98,105   | 2,943   | 52,714      | 47,907 | -  | 100,621   | 100,621 |
| Valley #262                             | 41,000  | 41,000    | 41,000    | 41,000   | 1,230   | 24,091      | 6,439  | -  | 30,530    | 30,530  |
| Shoshone #312                           | 43,278  | 44,880    | 46,655    | 46,655   | 1,400   | 30,114      | 14,676 | -  | 43,278    | 44,790  |
| Minidoka #331                           | 120,418   | 125,675   | 130,785   | 130,785  | 3,924   | 76,853      | 42,280 | -  | 119,133   | 119,133 |

This means:

- Jerome: \$ 98,105 – \$100,621 = –\$2,516
  - More replacements than tort (applied to exempt funds)
- Valley: \$ 41,000 – \$ 30,530 = \$10,470 levied for tort
- Shoshone: \$ 46,655 – \$ 44,790 = \$ 1,865 levied for tort
- Minidoka: \$130,785 – \$119,133 = \$11,652 levied for tort



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## Property Tax Replacements

- Money that is added in for determining the highest of the last 3 years
  - 3% growth includes replacement monies
- Agricultural Equipment Replacement
  - Unchanged amount since 2006
- Personal Property Reimbursement
  - Constant amounts since 2013
  - Additional replacements to be paid late in 2022 due to increased exemption
    - Transient personal property now exempt without replacements
- Recovered/Recaptured amounts (7/1/21 – 6/30/22)
  - Recovered Homeowner's Exemptions
  - Recaptured QIE



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# Property Tax Replacements

## Amounts to be deducted each year

|  |
|--|
| Agricultural Replacement dollars       |
| Personal Property Reimbursement amount |

## Amounts to be deducted in year received

|   |
|---|
| Recovered Homeowner's Exemption           |
| Recaptured QIE                            |
| Recovered personal property reimbursement |



# Solar Farm Tax

- NOT added in for determining the highest of last 3 years
  - 3% growth does not include solar farm tax
- Prior year (7/1/20 – 6/30/21) revenue received is added after the 3% growth calculation
- Current year (7/1/21 – 6/30/22) revenue received is subtracted to determine the maximum budget authority
- If applicable, will be included on the Recovered/Recaptured Property Tax and Refund List

The image shows a screenshot of a form titled "Recovered/Recaptured Property Tax and Refund List". The form has a header section with a title and a table with multiple columns and rows. The table appears to be for recording property tax and refund information. The form is yellow and white.





# When is all this information available?

- Information available from the county clerk:
  - I.C. §63-802 property tax information is currently available and is on the STC's website. Look for the "Maximum Budget and Forgone Amount Worksheet"
    - <https://tax.idaho.gov/search-formspublications.cfm?ch=bl&t=pt>
  - New construction roll value – 4<sup>th</sup> Monday in July
  - Taxable value – 1<sup>st</sup> Monday in August
    - Locally assessed current year, estimated sub roll, & prior year operating property
  - Annexation values –
    - Real & personal (locally assessed) – 1<sup>st</sup> Monday in August
    - Operating property (assessed by STC) – 1<sup>st</sup> Monday in Sept.



## List of Property Tax Related Forms

- 2022 Dollar Certification of Budget Request to Board of County Commissioners L-2 ("L-2" for short)
- L-2 Worksheet (must be attached to the L-2 form)
- Maximum Budget and Forgone Amount Worksheet
- Voter-Approved Fund Tracker (if applicable)
- All L-2 related forms at this web address:
  - <https://tax.idaho.gov/search-formspublications.cfm?ch=bl&t=pt>



# State Tax Commission's Website:

[tax.idaho.gov](http://tax.idaho.gov)

IDAHO State Tax Commission

HOME TAX TYPES ONLINE SERVICES FORMS/GUIDES TAX PROS GOVERNANCE CONTACT US

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**VERIFY IDENTITY**  
Learn more about ID verification

**REFUND STATUS**  
CHECK YOUR 2021 TAX RETURN.  
Learn more  
Watch: Where's My Refund video

**FORMS**  
Individual Income Tax  
Business Income Tax

**PROTECT YOUR IDENTITY**

**FAST & EASY: QUICKPAY**

**REPORT TAX FRAUD**

**TAX HELP VIDEOS**

- Is my nonprofit required to pay and collect taxes?
- What resources does the Tax Commission offer for new and expanding businesses?

**TAX REBATES**  
[Rebate Status](#)  
[Donate My Rebate](#)  
[Learn more](#)

**TAP**  
TAXPAYER ACCESS POINT

- TAP Help guides
- Refund Info and Status
- Verify Identity
- Quick Pay
- Taxpayer Rights
- Free classes (many topics)
- What are my options for two-step security code in TAP?
- Payment Plans for Idaho Income Tax
- Managing your Idaho taxes with TAP

**Quick Picks**

- NEW!** Free income tax e-file--See if you qualify!
- Free income tax help
- Received a Form 1099-G?
- ABE & SALT workaround
- Get a property credit refund

**Property Tax Hub**  
tax.idaho.gov/property

This is our "Property Tax Hub" page. Links to important information are listed below.

- [Property Tax](#) (home page)
- [Property Tax Policy](#)
- [Property tax related links](#)

**Homeowners**

- [Understanding Property Tax](#)
- [Homeowners & Property Tax](#)
- [Property Tax Reduction](#)
- [Property Tax Deferral](#)
- [100% Service-Connected Disabled Veterans Benefit](#)
- [Property Tax Estimator](#)

**GIS**

- [GIS and Property Tax](#)
- [Introduction to GIS TCA data](#)
- [GIS Taxing Districts](#)
- [Proposed Taxing District Changes](#)
- [GIS Taxing Districts Maps & Data](#)

**Counties**

- [Counties' login page](#)
- [Technical documentation](#)
- [Checklists](#)
- [Technical tips](#)
- [Budget & Levy forms/guides](#)

**Education**

- [Property Tax Education Information](#)
- [Certifications](#)

**Appraisers**

- [Appraisers & Property Tax](#)
- [Real Property Parcel Count \(by county\)](#)
- [Property Tax Administrative Rules Examples](#)
- [Forestlands](#)
- [Personal Property Valuation](#)
- [Understanding Property Tax of county assessors in Idaho](#)

**TAX REBATES**  
[Rebate Status](#)  
[Donate My Rebate](#)  
[Learn more](#)

**TAP**  
TAXPAYER ACCESS POINT

- TAP Help guides
- Refund Info and Status
- Verify Identity
- Quick Pay
- Taxpayer Rights
- Free classes (many topics)
- What are my options for two-step security code in TAP?
- Payment Plans for Idaho Income Tax
- Managing your Idaho taxes with TAP

Beer/Wine Tax Hub  
Business Basics Hub  
Cig./Tobacco Tax Hub  
Collection & Audit Hub  
Fuels Tax Hub  
Income Tax Hub  
Property Tax Hub  
Sales/Use Tax Hub  
Tax Pros' Hub  
Or visit the [Help Page](#) to search

Latest News

- 04-07-2022  
[Time's running out to apply for property tax relief](#)
- 04-06-2022  
[Five tips for filing Idaho taxes](#)
- 03-30-2022  
[Some taxpayers must provide more info](#)

# State Tax Commission's Website:

[tax.idaho.gov](http://tax.idaho.gov)

IDAHO State Tax Commission

HOME TAX TYPES ONLINE SERVICES FORMS/GUIDES TAX PROS GOVERNANCE CONTACT US

**Property Tax Hub**  
tax.idaho.gov/property

This is our "Property Tax Hub" page. Links to important information are listed below.

- [Property Tax](#) (home page)
- [Property Tax Policy](#)
- [Property tax related links](#)

**Homeowners**

- [Understanding Property Tax](#)
- [Homeowners & Property Tax](#)
- [Property Tax Reduction](#)
- [Property Tax Deferral](#)
- [100% Service-Connected Disabled Veterans Benefit](#)
- [Property Tax Estimator](#)

**GIS**

- [GIS and Property Tax](#)
- [Introduction to GIS TCA data](#)
- [GIS Taxing Districts](#)
- [Proposed Taxing District Changes](#)
- [GIS Taxing Districts Maps & Data](#)

**Counties**

- [Counties' login page](#)
- [Technical documentation](#)
- [Checklists](#)
- [Technical tips](#)
- [Budget & Levy forms/guides](#)

**Education**

- [Property Tax Education Information](#)
- [Certifications](#)

**Appraisers**

- [Appraisers & Property Tax](#)
- [Real Property Parcel Count \(by county\)](#)
- [Property Tax Administrative Rules Examples](#)
- [Forestlands](#)
- [Personal Property Valuation](#)
- [Understanding Property Tax of county assessors in Idaho](#)

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- Payment Plans for Idaho Income Tax
- Managing your Idaho taxes with TAP

Select "Budget & Levy forms/guides"

To find Ag and/or Personal Property replacement reports, select "Budget & Levy Reports"

## State Tax Commission's Website:

[tax.idaho.gov](http://tax.idaho.gov)

L-2 forms, Max Budget & Forgone worksheets located here

The screenshot shows the Idaho State Tax Commission website. The header includes the IDAHO State Tax Commission logo and navigation links: HOME, TAX TYPES, ONLINE SERVICES, FORMS/GUIDES, TAX PROS, GOVERNANCE, CONTACT US. The main content area is titled "Your requested list of forms and guides" and shows a group selection of "BUDGET AND LEVY". Below this, there are links for "Select again" and a note about the date in parentheses. A section titled "Forms and form instructions" provides details on how to use the forms, including a link to "File online using TAP". A list of example forms is provided, including "Certification of levy rates L-1", "2021 L-2", "Budget Hearing Notice Noncompliance List", "How to Calculate Forgone Amounts", "Maximum Budget & Forgone Amount Worksheet (Updated 3/24/2022)", "Non School Voter Approved Fund Tracker", "Non School Voter Approved Fund Tracker", "Public Budget Hearing Requirements", "Recovered / Recaptured Property Tax and Refund List", "Recovered / Recaptured Property Tax and Refund List", "School Voter Approved Fund Tracker", and "School Voter Approved Fund Tracker". A "Guides" section lists "2021 December Value Worksheets", "2021 Taxing District Calendar", and "2022 Budget & Levy Training". On the right side, there are sections for "TAX REBATES" (Rebate Status, Donate My Rebate, Learn more) and "TAP" (TAXPAYER ACCESS POINT) with links to "TAP Help guides", "Refund info and Status", "Verify Identity", "Quick Pay", "Taxpayer Rights", "Free classes", "What are my options for two-step security code in TAP?", "Payment Plans for Idaho Income Tax", and "Managing your Idaho taxes with TAP". A "Beer/Wine Tax Hub" section is also visible with links to "Business Basics Hub", "Cig/Tobacco Tax Hub", "Collection & Audit Hub", "Fuels Tax Hub", "Income Tax Hub", "Property Tax Hub", "Sales/Use Tax Hub", and "Tax Pros' Hub".

## L-2 Forms

- On the web page, there will be 2 types of L-2s:
  - School districts will use the "General" form on STC website
    - Not currently available, but will be soon
  - Spreadsheet adapts to the selected district/form type
  - Some values are auto-filled when a district is selected (e.g. prior year operating property), so be certain that you have the correct district!
    - Selecting "School" as the form type and "Blaine County" as the district name will NOT fill values for Blaine County School District
    - Scroll through the list of districts until you find the correct one (e.g., "Blaine School #61"), then verify the auto-filled values

# Rule 803

- L-2 submitted to each county MUST be signed
  - Please submit the Excel doc with the signed version
  - County must have the signed version, STC may receive the Excel spreadsheet for efficient review
- Unless otherwise provided for in Idaho Code, budget requests for the property tax funded portions of the budget cannot exceed the amount published in the notice of budget hearing, if a budget hearing notice is required
- The levy approved by the STC cannot exceed the levy computed using the amount shown in the notice of budget hearing
- Subtract all replacement monies on the L-2 worksheet



## Preliminary Levy Rates

| Calculate Preliminary Levy Rate |  |                 |
|---------------------------------|--|-----------------|
| Variables                       |  | Value           |
| (A)                             | Highest Non-exempt P-tax Budget + Replacements (prior three years)*    | \$157,402       |
| (B)                             | Estimated Required Base Budget Growth (up to 3%)                       | 3.00%           |
| (C)                             | Estimated Budget After Growth Rate Applied                             | \$162,124       |
| (D)                             | Total 2021 Operating Property (O.P.) Value                             | \$350,962,017   |
| (D1)                            | Kootenai   | \$349,066,335   |
| (D2)                            | Bonner   | \$1,895,682     |
| (D3)                            |  |                 |
| (D4)                            |  |                 |
| (E)                             | Total 2022 Net Taxable Value + Estimated Sub-roll (not including O.P.) | \$4,768,296,503 |
| (E1)                            | Kootenai   | \$4,746,715,955 |
| (E2)                            | Bonner   | \$21,580,548    |
| (E3)                            |  | \$0             |
| (E4)                            |  | \$0             |
| (F)                             | 2022 Net Taxable Annexation Value**                                    | \$0             |

| (G) New Construction Preliminary Levy Rate |
|--|
| 0.000031669                                |
| (H) Annexation Preliminary Levy Rate       |
| 0.000031669                                |

| Calculate Maximum Non-exempt P-tax Budget (Before Subtractions) |   |               |
|---|---|---------------|
| (I)   | Total New Construction (from Assessor)**                    | \$341,272,378 |
| (I1)  | Kootenai  | \$339,486,133 |
| (I2)  | Bonner  | \$1,786,245   |
| (I3)  |   | \$0           |
| (I4)  |   | \$0           |
| (J)   | 2021 Amount Received for Solar Farm Tax* (7/1/20 - 6/30/21) | \$0           |
| (K)   | Total Expiring Urban Renewal Value (enter at 100% value)**  | \$0           |
| (L)   | Maximum Allowable Base Budget Growth                        | 3.00%         |
| (M)   | New Construction & Annexation Growth                        | 6.87%         |
| (N)   | Total Capped Growth (will not exceed 8%)                    | 8.00%         |
| (O)   | Expiring Urban Renewal Growth (not subject to 8% cap)       | 0.00%         |

| (O) Maximum Non-exempt P-tax Budget (Before Subtracting Replacement) |
|--|
| \$169,994  |
|  |





# Preliminary Levy Rates

| 2022 L-2 Worksheet (must be attached to the L-2 form)  |      |               |           |
|--|------|---------------|-----------|
| District Name: Lakeland School #272  |      |               |           |
| Form Type: School  |      |               |           |
| <b>Allowable Base Budget Calculation Plus Solar:</b>   |      |               |           |
| Highest Non-Exempt P-Tax Budget + P-Tax Replacement (from the 'Maximum Budget and Forgone Amount Worksheet') | (1)  |               | \$157,402 |
| 3% Base Budget Growth (multiply line 1 by 3%)  | (2)  |               | \$4,722   |
| Enter the total amount you received for Solar Farm Tax from the immediate prior year (7/1/20 - 6/30/21)      | (3)  |               |           |
| <b>New Construction, Annexation, &amp; expiring Urban Renewal allowable budget increases calculation:</b>    |      |               |           |
| 2022 New construction preliminary levy rate (box G from 'Calculator')  | (4)  | 0.000031669   |           |
| <b>2022 Value of District's New Construction Roll from Each Applicable County Below:</b>                     |      |               |           |
| <b>County Name</b>   |      | <b>Value</b>  |           |
| Kootenai   | (4a) | \$339,486,133 |           |
| Bonner   | (4b) | \$1,786,245   |           |
|  | (4c) |               |           |
|  | (4d) |               |           |
| <b>Total of New Construction Roll Value (NOT including expiring Urban Renewal):</b>                          |      |               |           |
| Total new construction roll (total of lines 4a thru 4d)  | (5)  | \$341,272,378 |           |
| New construction roll allowable budget increase (multiply line 5 by line 4)                                  | (6)  |               | \$10,808  |
| <b>2022 Value of District's Annexation:</b>  |      |               |           |
| 2022 annexation preliminary levy rate (box H from 'Calculator')  | (7)  | 0.000031669   |           |
| 2022 full taxable value of annexation from property assessed by the county                                   | (8)  |               |           |
| 90% of annexation value  | (9)  |               |           |
| Annexation allowable budget increase (multiply line 7 by line 9)   | (10) |               |           |
| <b>Expiring Urban Renewal:</b>   |      |               |           |
| Total expiring Urban Renewal value   | (11) |               |           |
| 80% of expiring Urban Renewal value  | (12) |               |           |
| Expiring Urban Renewal budget increase (line 12 multiplied by line 4)  | (13) |               |           |
| <b>Total Tort Fund Property Tax Budget (before P-tax Replacement and P-tax Substitute Funds deductions):</b> |      |               |           |
| Total uncapped budget growth potential (Add lines 1+2+3+6+10+13)   | (14) | \$172,932     |           |
| Total capped growth (max 8%) + line 3 + line 13  | (15) | \$169,994     |           |
| Total tort fund allowed before replacements are subtracted (lesser of lines 14 and 15)                       | (16) | \$            | 169,994   |



# Preliminary Levy Rates

For new construction:

- Highest of the last 3 years
- Add 3%
- Divide that sum by 2022 locally assessed net taxable value plus prior year's operating property value

Base growth →  $100,000 \times 3\% = \underline{3,000}$

Then,

2022 net taxable + 2021 operating property →  $400,000,000 + 470,000$

Divide those figures →  $103,000 / 400,470,000$

New construction preliminary levy rate → .000257198



## Preliminary Levy Rates (Cont'd)

For new construction:

- Multiply the preliminary levy rate by the new construction value to determine tort budget increase allowed
- New construction value is required to be reduced to 90% value by the assessor
- Example:
  - NC preliminary levy rate = 0.000257198
  - NC roll value = \$19,437,691
  - NC budget increase =  $0.000257198 \times \$19,437,691 = \$4,999$
  - If budget was \$100,000, then increase <5% and no cap issues



## Preliminary Levy Rates (Cont'd)

New construction example:

- Highest of the last 3 years = \$30,000
  - Plus 3% growth = \$30,900
- 2022 locally assessed net taxable value = \$20,000,000
- 2021 operating property value = \$2,500,000
- 2022 new construction value = \$950,000
  - Already reduced to 90%
  - Do not include expiring urban renewal with new construction as it is not subject to the same limit
- Preliminary levy rate = 0.001373333
- Preliminary levy rate X new construction = \$1,305
- Cap on new construction ( $8\% - 3\% = .05 \times 30,000$ ) = \$1,500



## Preliminary Levy Rates (Cont'd)

New construction example #2:

- Highest of the last 3 years = \$30,000
  - Plus 3% growth = \$30,900
- 2022 locally assessed net taxable value = \$20,000,000
- 2021 operating property value = \$2,500,000
- 2022 new construction value = **\$1,150,000**
  - Already reduced to 90%
  - Do not include expiring urban renewal with new construction as it is not subject to the same limit
- Preliminary levy rate = 0.001373333
- Preliminary levy rate X new construction = **\$1,579**
- Cap on new construction ( $8\% - 3\% = .05 \times 30,000$ ) = \$1,500
- Would only be allowed to increase tort by \$1,500 (capped)



## Preliminary Levy Rates (Cont'd)

- For annexations or boundary changes:
  - Calculate preliminary levy rate similar to new construction
  - Rare for school districts
  - If applicable, must be in contact with the county and STC to ensure statutory requirements are met





## Before we look at an L-2 form...

Let's practice calculating the maximum tort fund property tax budget and amount to be levied



## Information Needed

For this example, we will use the following information:

- District: "School A" in "Sample County"
- 2022 Net Taxable Market Value = \$43,306,913
- 2021 Operating Property Value = \$5,862,506
- 2022 New Construction Roll Value = \$676,712



# Information Needed

Maximum Budget and Foregone Amount Worksheet

| District Name                           | Highest of the last 3 years approved non-exempt Property Tax Budget |           |           | Highest non-exempt P-Tax Budget + P-Tax Replacements | 3% Increase (Highest P-Tax \$ plus Total P-Tax Replacement x 3%) | Foregone Amount |
|---|---|-----------|-----------|--|--|-----------------|
|   | 2019  | 2020      | 2021      |  |  |                 |
| Sample County                           | 2,933,550   | 3,100,500 | 3,376,009 |  |  | 282,918         |
| Sample County Road & Bridge             | 27,779  | 32,036    | 33,381    |  |  |                 |
| <b>Total County Budget Information:</b> | 2,961,329   | 3,132,536 | 3,409,390 | 3,535,042  | 106,051  |                 |
| <b>Cities:</b>                          |   |           |           |  |  |                 |
| City A                                  | 15,487  | 16,899    | 19,836    | 36,425   | 1,093  | 101             |
| City B                                  | 115,926   | 117,384   | 118,729   | 119,487  | 3,585  | 5,876           |
| <b>Schools:</b>                         |   |           |           |  |  |                 |
|   | Highest Tort Fund Amount (School Districts Only)                    |           |           |  |  |                 |
| School A                                | 120,897   | 122,564   | 124,665   | 124,665  | 3,740  |                 |
| <b>Cemetery:</b>                        |   |           |           |  |  |                 |
| Cemetery A                              | 82,241  | 78,271    | 80,783    | 82,341   | 2,470  | 40              |
| <b>Library:</b>                         |   |           |           |  |  |                 |
| Library A                               | 10,685  | 11,182    | 11,580    | 16,904   | 507  |                 |



# Information Needed

Maximum Budget and Foregone Amount Worksheet

| District Name                           | 2019     |        |    |         | 2020     |        |    |         | 2021     |        |    |         |
|---|----------|--------|----|---------|----------|--------|----|---------|----------|--------|----|---------|
|   | Ag Equip | PP     | HE | Total   | Ag Equip | PP     | HE | Total   | Ag Equip | PP     | HE | Total   |
| Sample County                           | 48,772   | 76,880 |    |         | 48,772   | 76,880 |    |         | 48,772   | 76,880 |    |         |
| Sample County Road & Bridge             |          |        |    |         |          |        |    |         |          |        |    |         |
| <b>Total County Budget Information:</b> | 48,772   | 76,880 |    | 125,652 | 48,772   | 76,880 | 0  | 125,652 | 48,772   | 76,880 | 0  | 125,652 |
| <b>Cities:</b>                          |          |        |    |         |          |        |    |         |          |        |    |         |
| City A                                  | 447      | 16,142 |    | 16,589  | 447      | 16,142 |    | 16,589  | 447      | 16,142 |    | 16,589  |
| City B                                  | 87       | 671    |    | 758     | 87       | 671    |    | 758     | 87       | 671    |    | 758     |
| <b>Schools:</b>                         |          |        |    |         |          |        |    |         |          |        |    |         |
| School A                                | 2,092    | 1,845  |    | 3,937   | 2,092    | 1,845  |    | 3,937   | 2,092    | 1,845  |    | 3,937   |
| <b>Cemetery:</b>                        |          |        |    |         |          |        |    |         |          |        |    |         |
| Cemetery A                              | 100      |        |    | 100     | 100      |        |    | 100     | 100      |        |    | 100     |
| <b>Library:</b>                         |          |        |    |         |          |        |    |         |          |        |    |         |
| Library A                               | 2,662    | 2,662  |    | 5,324   | 2,662    | 2,662  |    | 5,324   | 2,662    | 2,662  |    | 5,324   |



# Information to Calculate

## Example Calculations

|   |    |
|---|----|
| Tort fund budget increase from 3% base growth     | \$ |
| Preliminary levy rate (new construction)          | 0. |
| Tort fund budget increase from new construction   | \$ |
| Max allowable tort fund budget                    | \$ |
| Max allowable tort fund property tax to be levied | \$ |

Answers →  (see appendix)



## Now that you have done the math...

We're constantly looking for ways to improve the L-2 worksheet to make this process as simple as possible.







# CALCULATOR NOTES

\*(A), (J), and (T) comes from the STC Maximum Budget and Forgone Amount Worksheet.  
 \*\*Calculations for values (F) and (I) are based on appropriate reductions. (K) is based on 100% value.  
 IMPORTANT: In the event that (M) exceeds 5%, (N) & (D) will reflect 8% growth.  
 \*(R) comes from the STC form: "Recovered/Recaptured Property Tax and Refund List."  
 IMPORTANT: If (U) or (V) exceed their cap, (W) & (X) will reflect the lesser of the forgone balance or capped forgone growth.

|                     |                      |
|---------------------|----------------------|
| District Name:      | Lakeland School #272 |
| District/Form Type: | School               |

| Calculate Preliminary Levy Rate  |                 |
|--|-----------------|
| Variables  | Value           |
| (A) Highest Non-exempt P-tax Budget + Replacements (prior three        | \$157,402       |
| (B) Estimated Required Base Budget Growth (up to 3%)                   | 3.00%           |
| (C) Estimated Budget After Growth Rate Applied                         | \$162,124       |
| (D) Total 2021 Operating Property (O.P.) Value                         | \$350,962,017   |
| (D1) Kootenai  | \$349,066,335   |
| (D2) Bonner  | \$1,835,682     |
| (D3)   |                 |
| (D4)   |                 |
| (E) Total 2022 Net Taxable Value + Estimated Sub-roll (not including C | \$4,768,296,503 |
| (E1) Kootenai  | \$4,746,715,955 |
| (E2) Bonner  | \$21,580,548    |
| (E3)   | \$0             |
| (E4)   | \$0             |
| (F) 2022 Net Taxable Annexation Value**                                | \$0             |

## (G) New Construction Preliminary Levy Rate

0.000031669

## (H) Annexation Preliminary Levy Rate

0.000031669

| Calculate Maximum Non-exempt P-tax Budget (Before Subtractions) |               |
|---|---------------|
| (I) Total New Construction (from Assessor)**                    | \$341,272,378 |
| (I1) Kootenai   | \$339,486,133 |
| (I2) Bonner   | \$1,786,245   |
| (I3)  | \$0           |
| (I4)  | \$0           |
| (J) 2021 Amount Received for Solar Farm Tax* (7/1/20 - 6/30/21) | \$0           |
| (K) Total Expiring Urban Renewal Value (enter at 100% value)**  | \$0           |
| (L) Maximum Allowable Base Budget Growth                        | 3.00%         |
| (M) New Construction & Annexation Growth                        | 6.87%         |
| (N) Total Capped Growth (will not exceed)                       | 8.00%         |
| (O) Expiring Urban Renewal Growth (not subject to 8% cap)       | 0.00%         |
| (P) Property Tax Replacement                                    | \$63,377      |
| (P1) Annual Agriculture Equipment Replacement Money             | \$3,437       |
| (P) Annual Personal Property Replacement Money                  | \$60,540      |
| (R) Information from "Recovered/Recaptured Property Tax and     | \$1,174       |
| (R1) 2022 Solar Farm Tax* (7/1/21 - 6/30/22)                    | \$0           |
| (R) Recovered Homeowner's Exemption Property Tax*               | \$1,174       |
| (R) Other amounts (columns 3 - 6)*                              | \$0           |
| (S) Not Applicable  | \$0           |

## (O) Maximum Non-exempt P-tax Budget

\$169,994

## (X) Tort Fund Less P-tax Replacement:

\$104,843



State Tax Commission

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## 2022 L-2 Worksheet (must be attached to the L-2 form)

|   |              |               |  |
|---|--------------|---------------|--|
| District Name: Lakeland School #272   |              |               |  |
| Form Type: School   |              |               |  |
| <b>Allowable Base Budget Calculation Plus Solar:</b>  |              |               |  |
| Highest Non-Exempt P-Tax Budget + P-Tax Replacement (from the 'Maximum Budget and Forgone Amount Worksheet')  | (1)          | \$157,402     |  |
| 3% Base Budget Growth (multiply line 1 by 3%)   | (2)          | \$4,722       |  |
| Enter the total amount you received for Solar Farm Tax from the immediate prior year (7/1/20 - 6/30/21)   | (3)          |               |  |
| <b>New Construction, Annexation, &amp; expiring Urban Renewal allowable budget increases calculation:</b>   |              |               |  |
| 2022 New construction preliminary levy rate (box G from 'Calculator')   | (4)          | 0.000031669   |  |
| <b>2022 Value of District's New Construction Roll from Each Applicable County Below:</b>  |              |               |  |
| <b>County Name</b>  | <b>Value</b> |               |  |
| Kootenai  | (4a)         | \$339,486,133 |  |
| Bonner  | (4b)         | \$1,786,245   |  |
|   | (4c)         |               |  |
|   | (4d)         |               |  |
| <b>Total of New Construction Roll Value (NOT including expiring Urban Renewal):</b>   |              |               |  |
| Total new construction roll (total of lines 4a thru 4d)   | (5)          | \$341,272,378 |  |
| New construction roll allowable budget increase (multiply line 5 by line 4)   | (6)          | \$10,808      |  |
| <b>2022 Value of District's Annexation:</b>   |              |               |  |
| 2022 annexation preliminary levy rate (box H from 'Calculator')   | (7)          | 0.000031669   |  |
| 2022 full taxable value of annexation from property assessed by the county  | (8)          |               |  |
| 90% of annexation value   | (9)          |               |  |
| Annexation allowable budget increase (multiply line 7 by line 9)  | (10)         |               |  |
| <b>Expiring Urban Renewal:</b>  |              |               |  |
| Total expiring Urban Renewal value  | (11)         |               |  |
| 80% of expiring Urban Renewal value   | (12)         |               |  |
| Expiring Urban Renewal budget increase (line 12 multiplied by line 4)   | (13)         |               |  |
| <b>Total Tort Fund Property Tax Budget (before P-tax Replacement and P-tax Substitute Funds deductions):</b>  |              |               |  |
| Total uncapped budget growth potential (Add lines 1+2+3+6+10+13)  | (14)         | \$172,932     |  |
| Total capped growth (max 8%) + line 3 + line 13   | (15)         | \$169,994     |  |
| Total tort fund allowed before replacements are subtracted (lesser of lines 14 and 15)  | (16)         | \$169,994     |  |
| <b>Property Tax Replacement:</b>  |              |               |  |
| Enter yearly amount of the agricultural equipment replacement money   | (17)         | \$3,437       |  |
| Enter yearly amount of the personal property replacement money  | (18)         | \$60,540      |  |
| <b>Information below is reported in indicated columns of the 'Recovered/Recaptured Property Tax and Refund List':</b>   |              |               |  |
| Enter the Solar Farm Tax reported in column 1 (7/1/21 - 6/30/22)  | (19)         |               |  |
| Enter the recovered Homeowner's Exemption property tax reported in column 2   | (20)         | \$1,174       |  |
| Enter the total amount reported in columns 3 thru 6   | (21)         |               |  |
| Total of lines 17 thru 21 (Col. 5 of L-2 must equal this amount)  | (22)         | \$65,151      |  |
| <b>Fire District Annexation (Cities Only):</b>  |              |               |  |
| Not Applicable  | (23)         |               |  |
| <b>Forgone Amount Section:</b>  |              |               |  |
| Not Applicable to Schools   | (24)         |               |  |
| Not Applicable to Schools   | (25)         |               |  |
| <b>Tort Fund Less Property Tax Replacement (Schools Only):</b>  |              |               |  |
| If the total property tax replacement, reported on line 22, is less than or equal to the amount on line 16 enter the difference here. This is the maximum amount of property tax you can levy for the tort fund.                            | (26)         | \$104,843     |  |
| If the total property tax replacement, reported on line 22, is greater than the amount on line 16 enter the difference here. This is the minimum amount of property tax replacement that is to be subtracted from any other fund(s) levying | (27)         |               |  |
| <b>Maximum Allowable Non-exempt Property Tax That Can Be Levied (Including Forgone Amount):</b>   |              |               |  |
| Not Applicable to Schools   | (28)         |               |  |



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| 2022 Dollar Certification of Budget Request to Board of County Commissioners L-2<br>(the "L-2 Worksheet" and applicable "Voter Approved Fund Tracker" and budget publication must be attached)  |                        |                      |  |  |   |
|---|------------------------|----------------------|--|--|---|
| District Name: Lakeland School #272   |                        |                      |  |  |   |
| Fund Name   | Total Approved Budget* | Cash Forward Balance | Other revenue <i>NOT</i> shown in Column 5 | Property Tax Replacement From Line 22 of the 'L-2 Worksheet' | Balance to be levied Col. 2 minus (Cols. 3+4+5) |
| 1   | 2                      | 3                    | 4  | 5  | 6   |
| Tort  | \$158,576              |                      |  | \$65,151   | \$93,425  |
| <b>NON-LEVIED FUNDS (must net zero)</b>   |                        |                      |  |  |   |
| Column Subtotal:  | \$158,576              |                      |  | \$65,151   | \$93,425  |
| <b>Exempt Funds</b>   |                        |                      |  |  |   |
| 2021 Temp Supplemental  | \$9,520,000            |                      |  |  | \$9,520,000                                     |
| 2003 Bond   | \$318,272              |                      |  |  | \$318,272                                       |
| 2005 Bond   | \$617,822              |                      |  |  | \$617,822                                       |
| 2017 Plant Facility   | \$1,146,520            |                      |  |  | \$1,146,520                                     |
| Column Subtotal:  | \$11,602,614           |                      |  |  | \$11,602,614                                    |
| Column Total:   | \$11,761,190           |                      |  | \$65,151   | \$11,696,039                                    |
| Total Replacements (for balancing purposes; line 22 from "L-2 Worksheet")   |                        |                      |  | \$65,151   |   |
| <p>I certify that the amounts shown above accurately reflect the budget being certified in accordance with the provisions of I.C. §63-803. To the best of my knowledge, this district has established and adopted this budget in accordance with all provisions of Idaho Law.</p> |                        |                      |  |  |   |
| Signature of District Representative  |                        | Title                |  | Date   |   |
|   |                        |                      |  |  |   |
| Contact Name and Mailing Address  |                        |                      | Email Address                              |  |   |
|   |                        |                      |  |  |   |
| Phone Number (###) ###-#### EXT ###   |                        |                      | Fax Number (###) ###-####                  |  |   |
|   |                        |                      |  |  |   |

\*Do not include revenue allocated to urban renewal agencies



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| 2022 Dollar Certification of Budget Request to Board of County Commissioners L-2<br>(the "L-2 Worksheet" and applicable "Voter Approved Fund Tracker" and budget publication must be attached) |                        |                      |  |  |   |
|--|------------------------|----------------------|--|--|---|
| District Name: Lakeland School #272  |                        |                      |  |  |   |
| Fund Name  | Total Approved Budget* | Cash Forward Balance | Other revenue <i>NOT</i> shown in Column 5 | Property Tax Replacement From Line 22 of the 'L-2 Worksheet' | Balance to be levied Col. 2 minus (Cols. 3+4+5) |
| 1  | 2                      | 3                    | 4  | 5  | 6   |
| Tort   | \$158,576              |                      |  | \$65,151   | \$93,425  |
| <b>NON-LEVIED FUNDS (must net zero)</b>  |                        |                      |  |  |   |
| Column Subtotal:   | \$158,576              |                      |  | \$65,151   | \$93,425  |
| <b>Exempt Funds</b>  |                        |                      |  |  |   |
| 2021 Temp Supplemental   | \$9,520,000            |                      |  |  | \$9,520,000                                     |
| 2003 Bond  | \$318,272              |                      |  |  | \$318,272                                       |
| 2005 Bond  | \$617,822              |                      |  |  | \$617,822                                       |
| 2017 Plant Facility  | \$1,146,520            |                      |  |  | \$1,146,520                                     |
| Column Subtotal:   | \$11,602,614           |                      |  |  | \$11,602,614                                    |
| Column Total:  | \$11,761,190           |                      |  | \$65,151   | \$11,696,039                                    |
| Total Replacements (for balancing purposes; line 22 from "L-2 Worksheet")  |                        |                      |  | \$65,151   |   |



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| Voter Approved Fund Tracker<br>Attach to L-2 Form If Applicable  |   |                             |                    |  |
|--|---|-----------------------------|--------------------|--|
| District Name: Lakeland School #272  |   |                             |                    |  |
| Fund Name  | Date of Election<br>(If current year,<br>attach copy of Ballot) | 1st Calendar<br>Year Levied | Term of Initiative | Annual Amount<br>Authorized by<br>Voters |
| <b>Supplemental Funds</b>  |   |                             |                    |  |
| Temporary School Supplemental (IC §33-802(3))  |   |                             |                    |  |
| Permanent School Supplemental (IC §33-802(5))  |   |                             |                    |  |
| Plant Facilities to Transfer to Supplemental (IC §33-804)*   |   |                             |                    |  |
| <b>Plant Facilities &amp; COSA Funds</b>   |   |                             |                    |  |
| 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<br>(If current year attach<br>copy of Ballot) | 1st Calendar<br>Year Levied | Term of<br>Initiative | Amount<br>Authorized by<br>Voters | Prior Year<br>P-Tax \$ | Current Year<br>P-Tax \$ | % Change<br>(+/- 20% Explan-<br>ation Required) | "YES" =<br>Explanation<br>Required |
|  |                             |                       |                                   |                        |                          |   |                                    |
|  |                             |                       |                                   |                        |                          |   |                                    |
|  |                             |                       |                                   |                        |                          |   |                                    |
|  |                             |                       |                                   |                        |                          |   |                                    |
|  |                             |                       |                                   |                        |                          |   |                                    |
|  |                             |                       |                                   |                        |                          |   |                                    |
| Current Year's Total Bond Fund (Reported on L-2 Col. 6):       |                             |                       |                                   |                        | \$ -                     |   |                                    |

Explanation (If Required):

Attach to your L-2 form and return to your County Clerk.



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## What to Submit?

- 2022 Dollar Certification of Budget Request to Board of County Commissioners L-2 (Signed)
- Budget hearing publication
- If new voter-approved fund:
  - Canvass of votes
  - Voter-approved fund tracker
- Also submit:
  - The Excel L-2 file containing all completed documents for review
  - Greatly expedites review & approval



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## Q & A

What questions do you have for us?












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## Appendix

-  ➤ Terminology
-  ➤ What is “New Construction”
-  ➤ School district exempt funds
-  ➤ Effects of boundary changes on bonds
-  ➤ Plant Facilities Election Information
-  ➤ School districts affected by expiring Urban Renewal RAAs
-  ➤ Max tort fund property tax to be levied calculations
-  ➤ District Boundary Changes
-  ➤ Calculation answers



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# Terminology

- **Net taxable market value** – total value of property within the boundaries of a taxing district, less exemptions and applicable urban renewal increment value
- **Budget** – for the purposes of this presentation, unless otherwise indicated, budget refers to the property tax portion of the *tort 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 voter-approved levies)



# 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
  - For school districts, the only fund in this category is the tort fund
- **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, PP, 1305C refund/recapture, and U/R penalties. 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
  - For school districts, the tort fund amount minus the replacements & revenue described above





# Terminology

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



## By the way, what is “New Construction?”

- A method of increasing budget levy authority for:
  - New taxable improvements
  - Land with higher value due to change of use if there is a taxable structure included
  - 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



# New Construction

## I.C. §63-301A & §63-802 & Rule 802

- Includes 90% of taxable property first on tax roll in the current year:
  - New structures and newly occupied residences
  - Additions/alterations to existing non-residential structures
  - Installation of new/used manufactured housing that did not previously exist within the county
  - Change of land use classification (i.e., agricultural to commercial) **with accompanying taxable structure**
    - Ends 2023
  - Newly taxable as a result of loss of inventory exemption (63-602W)
  - Improvements/installation of equipment used in conjunction with generation of electricity (not associated with apportioned property)
  - Prior eligible new construction identified and reported to county assessor (5-year limit to look back)



# 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. |





## Effects of Boundary Changes on Bonds

- I.C. §33-311
  - For school district consolidations, the debt shall remain an obligation of the property which incurred the indebtedness
- I.C. §33-308
  - For other boundary changes (annexations), bonded indebtedness remains tied to the district



## Plant Facilities Election Information (I.C. §33-804)

- Election has varying majorities required which are based on predicted levy rates including bonds (use prior year's values to estimate levy rate)
  - Levy rate  $< .002$ 
    - 55% majority vote required
  - Levy rate  $\geq .002$  and  $< .003$ 
    - 60% majority vote required
  - Levy rate  $\geq .003$ 
    - Two-thirds (66.67%) majority vote required



# Expiring Urban Renewal RAAs

- The termination of Revenue Allocation Areas in 2022 will result in increased tort fund budget growth capacity for the following school districts:
  - #151 Cassia
  - #261 Jerome
  - #271 Coeur d'Alene
  - #273 Post Falls
  - #321 Madison
  - #331 Minidoka



# District Boundary Changes

- General document requirements:
  - 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 10<sup>th</sup> of the effective year
    - The ordinance, order, or resolution must be signed by December 31<sup>st</sup> to be reflected in the changes for the next effective year

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

Email: [gis@tax.idaho.gov](mailto:gis@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



# Information to Calculate

## Example Calculations

|   |                                   |
|---|-----------------------------------|
| Tort fund budget increase from 3% base growth | $\$124,665 \times 0.03 = \$3,740$ |
|---|-----------------------------------|

|  |   |
|--|---|
| Preliminary levy rate (new construction) | $\frac{\$124,665 + \$3,740}{\$43,306,913 + \$5,862,506} = .002611481$ |
|--|---|

|   |  |
|---|--|
| Tort fund budget increase from new construction | $\$676,712 \times 0.002611481 = \$1,767$ |
|---|--|

|                                |   |
|--------------------------------|---|
| Max allowable tort fund budget | $\$124,665 + \$3,740 + \$1,767 = \$130,172$ |
|--------------------------------|---|

|   |                                   |
|---|-----------------------------------|
| Max allowable tort fund property tax to be levied | $\$130,172 - \$3,937 = \$126,235$ |
|---|-----------------------------------|



# L-2 Example Answers

| 2022 L-2 Worksheet  |       |             |           |
|---|-------|-------------|-----------|
| District Name: School A   |       |             |           |
| Form Type: School   |       |             |           |
| <b>Allowable Base Budget Calculation Plus Solar:</b>  |       |             |           |
| Highest Non-exempt P-Tax Budget + P-Tax Replacement (from the 'Maximum Budget and Forgone Amount Worksheet')  | (1)   |             | \$124,665 |
| 3% Base Budget Growth (multiply line 1 by 3%)   | (2)   |             | \$3,740   |
| Enter the total amount you received for Solar Farm Tax from the immediate prior year (7/1/20 - 6/30/21)   | (3)   |             |           |
| <b>New Construction, Annexation, &amp; expiring Urban Renewal allowable budget increases calculation:</b>   |       |             |           |
| 2022 New construction preliminary levy rate<br>(line 1 + line 2) / (current year's net taxable value + prior year's operating property)                     | (4)   | 0.002611481 |           |
| <b>2022 Value of District's New Construction Roll from Each Applicable County Below:</b>  |       |             |           |
| County Name   | Value |             |           |
| Sample County   | (4a)  | \$676,712   |           |
|   | (4b)  |             |           |
|   | (4c)  |             |           |
|   | (4d)  |             |           |
| <b>Total of New Construction Roll Value (NOT including expiring Urban Renewal):</b>   |       |             |           |
| Total new construction roll (total of lines 4a thru 4d)   | (5)   | \$676,712   |           |
| New construction roll allowable budget increase (multiply line 5 by line 4)   | (6)   |             | \$1,767   |
| <b>2022 Value of District's Annexation:</b>   |       |             |           |
| 2022 annexation preliminary levy rate (line 1 + line 2) / (current year's net taxable value + prior year's operating property + annexed operating property) | (7)   |             |           |
| 2022 full taxable value of annexation from property assessed by the county  | (8)   |             |           |
| 90% of annexation value   | (9)   |             |           |
| Annexation allowable budget increase (multiply line 7 by line 9)  | (10)  |             |           |

# L-2 Example Answers

|   |      |           |           |
|---|------|-----------|-----------|
| <b>Expiring Urban Renewal:</b>  |      |           |           |
| Total expiring Urban Renewal value  | (11) |           |           |
| 80% of expiring Urban Renewal value   | (12) |           |           |
| Expiring Urban Renewal budget increase (line 12 multiplied by line 4)   | (13) |           |           |
| <b>Total Non-Exempt Allowable Budget (before P-tax Replacement and P-tax Substitute Funds deductions):</b>  |      |           |           |
| Total uncapped budget growth potential (Add lines 1+2+3+6+10+13)  | (14) | \$130,172 |           |
| Total capped growth (max 8%) (line 1 X 1.08 + line 3 + line 13)   | (15) | \$134,638 |           |
| Total non-exempt budget allowed (lesser of lines 14 and 15)   | (16) | \$        | 130,172   |
| <b>Property Tax Replacement:</b>  |      |           |           |
| Enter yearly amount of the agricultural equipment replacement money   | (17) | \$2,092   |           |
| Enter yearly amount of the personal property replacement money  | (18) | \$1,845   |           |
| <b>Information below is reported in indicated columns of the 'Recovered/Recaptured Property Tax and Refund List':</b>   |      |           |           |
| Enter the Solar Farm Tax reported in column 1 (7/1/21 - 6/30/22)  | (19) |           |           |
| Enter the recovered Homeowner's Exemption property tax reported in column 2   | (20) |           |           |
| Enter the total amount reported in columns 3 thru 6   | (21) |           |           |
| Total of lines 17 thru 21 (Col. 5 of L-2 must equal this amount)  | (22) |           | \$3,937   |
| <b>Fire District Annexation (Cities Only):</b>  |      |           |           |
| If a city and was annexed by a fire district, the amount spent on fire services in the prior year   | (23) |           |           |
| <b>Forgone Amount Section (Does not apply to schools):</b>  |      |           |           |
| Enter the total forgone amount reported on the 'Maximum Budget and Forgone Amount Worksheet'  | (24) |           |           |
| Enter the forgone amount to be recovered in your budget. This amount can't exceed what is reported on the attached resolution   | (25) |           |           |
| <b>Tort Fund Less Property Tax Replacement (Schools Only):</b>  |      |           |           |
| If the total property tax replacement, reported on line 22, is less than or equal to the amount on line 16 enter the difference here. This is the maximum amount of property tax you can levy for the tort fund.  | (26) |           | \$126,235 |
| If the total property tax replacement, reported on line 22, is greater than the amount on line 16 enter the difference here. This is the minimum amount of property tax replacement that is to be subtracted from any other fund(s) levying property taxes. | (27) |           |           |
| <b>Maximum Allowable Non-exempt Property Tax That Can Be Levied (Including Forgone Amount; does not apply to schools):</b>  |      |           |           |
| Maximum non-exempt property tax budget including forgone amount (lines 16-22-23+25)   | (28) |           |           |