

A wide banner image showing a scenic view of Idaho mountains under a blue sky with white clouds. The foreground features a dense forest of evergreen trees.

Idaho State Tax Commission

2025 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

Great people. Helping you. Serving Idaho.

Today's Instructors

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Agenda

- General Overview
- 2024-2025 Legislative Changes
- School District Levy Information
- Break (10-15 mins)
- Required Forms
- Calculating Maximum Tort Fund
- L-2 Workbook

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?

State Tax Commission Roles

1. Review and approve levy rates and property tax portion of budget to ensure limits not exceeded (10-27-2025)
2. Determine and apportion operating property values
 - Preliminary values in July
 - State Board of Equalization finalizes by 4th Monday in August
 - Final values in September (9-2-2025)
3. Provide technical support & assistance; develops administrative rules
4. Map boundaries of each taxing district and urban renewal revenue allocation areas
5. Distribute property tax replacement dollars
6. Distribute property tax relief except the School District Facilities Fund from Dept of Ed



STC's 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
 - IASBO
 - Carry over authority varies
- Assume compliance with budget hearing and other publication requirements (until challenged)



County's Roles

- **County 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
- **County Treasurer:**
 1. Prepare tax notices & collect tax
 2. Notify county clerk of amounts to be distributed
- **County Commissioners:**
 1. Set levy rate
 2. Approve property tax portion of budget
 3. Submit levy & approved budget to STC (9-15-2025 or 9-22-2025 with extension)



School District Budget & Levy Responsibilities

- Notify each County Clerk of budget hearing date and location
 - Written notification required (due April 30th 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 4th, 2025 unless a 7-working day extension is granted by the county (then Sept 15th)
 - School Emergency Funds – Sept 8th (2nd Monday of Sept)



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



Legislative Changes



Previous Legislative Changes

- HB 521 (2024)
 - Removed August elections for schools
 - School District Facilities Funds (SDFF) must be used to reduce levies for plant facilities funds (after bonds & temp supplementals)
 - Homeowner Tax Relief (HTR) is appropriated to counties in Sept. using current year's values and prior year's eligible levy rates

Previous Legislative Changes

HB 521 – School District Facilities Fund (SDFF):

- Dept of Ed distributes funds directly to school districts by August 31 each year (I.C.§33-911)
 - Based on average daily attendance (in-person)
 - May be necessary to request extension to submit L-2 to each county
- Amounts subject to change annually
- Schools **MUST** deduct the amount received on their L-2 each year if they levy for a bond, temporary supplemental, or plant facilities fund

Previous Legislative Changes

HB 521 – School District Facilities Fund (SDFF):

- Order of priority for levy reductions described in I.C. §33-911(2):
 - Existing bonds
 - Temporary supplemental levies
 - Plant facilities
 - Construction, renovation, maintenance, new bonds, or saved in reserve account for future facility needs
- 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

2025 Legislation

HB 329 (effective Jan 1, 2026)

- Rate-regulated electric & gas companies no longer valued by STC or pay property tax (beginning 2026)
- Pay kilowatt-hour & thermal energy taxes instead
- STC will calculate proportions of these taxes to pay to districts based on 2025 property taxes
 - Including urban renewal areas
 - Proportions only updated for dissolutions (annually)
 - New bonds / supplementals will NOT affect these proportions
 - Subtracted annually from property tax like replacements
 - Taxing districts or RAAs created after 1/1/2025 will NOT receive these tax distributions
 - First distribution – Aug 2027

2025 Legislation

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 are unknown until late August

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

Other Legislative Discussions (did NOT pass)

SB 1094

- Temporary supplemental levies up to 6 yrs & no new permanent supplemental levies (those passed prior to Jan. 1st, 2025 would continue)
 - Passed the Senate unanimously, did not get a hearing in House Rev & Tax committee



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/accrue 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
- **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 0.004 in the 1st 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
- **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

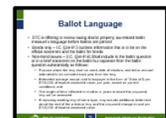
- **Budget Stabilization funds: (I.C. §33-802)**
 - School districts not receiving state equalization funds in fiscal year 2006 authorized a “Budget Stabilization Levy”
 - #61 Blaine – \$29,521,352
 - #92 Swan Valley – \$133,871
 - #394 Avery – \$117,520
 - #421 McCall-Donnelly – \$5,658,712
 - These 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 by the 10th Friday before the election.
 - Election dates:
 - 3rd Tuesday in May
 - 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.



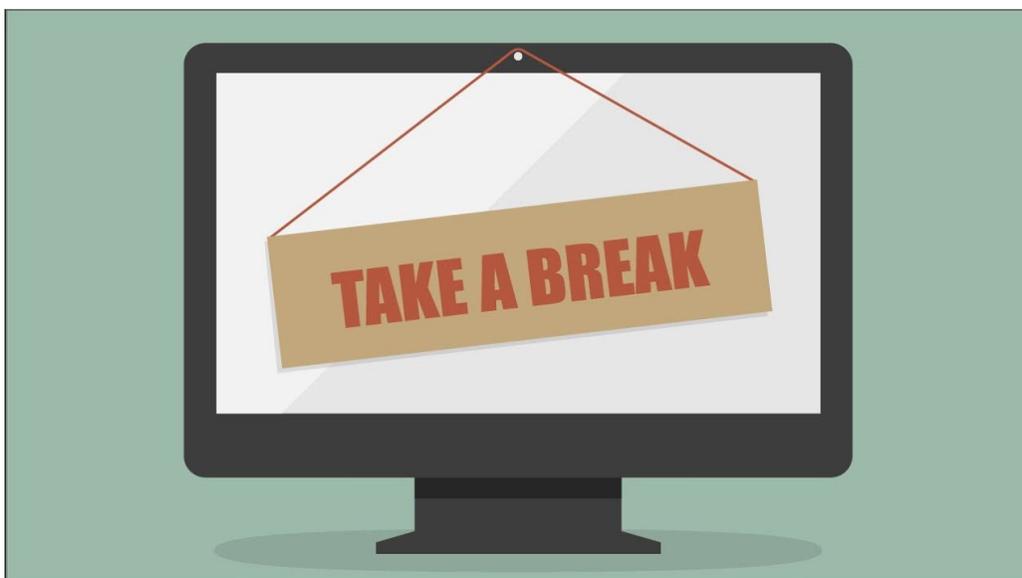
Estimating Effects of New Voter-Approved Fund(s)

- Contact EACH county clerk to get the most current net taxable value information
 - 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
	x 0.000821989 estimated levy rate
\$	82.20 estimated property taxes

Break

Time for a 10-minute break



What Information Do I Need & Where Can I Find It?



Max Budget & Forgone Worksheet

- PowerBI report stored on STC's "Reports & Statistics" page:
 - <https://tax.idaho.gov/governance/reports-and-statistics/>
- Amounts shown for schools indicate the tort fund before p-tax replacements have been subtracted
- 2022PP replacements added to property tax budgets starting in 2023 (first year they were subtracted on L-2s)
- Total replacements shown here must balance against what is shown in the L-2 (except solar farm tax)



Reset



County Name

Ada

2025 Maximum Budget & Forgone Amounts Worksheet (County & School Districts)

(Data last updated: 1/7/2025)

County and Road & Bridge (if applicable)	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
Ada County	\$148,392,071	\$154,826,415	\$160,544,678	\$161,464,156	\$28,320,997
Total	\$148,392,071	\$154,826,415	\$160,544,678		\$28,320,997

Indigent Pub Def Reduction 2022

Ada County \$0

NOTE: HB735a required counties to reduce their property tax budgets by the amounts levied for indigent public defense. This table is designed to: 1) combine the county non-exempt budget with its Road & Bridge fund for that year (if applicable), 2) subtract the amount reported as levied for Indigent Public Defense, 3) subtract any forgone amounts recovered for Capital Projects, 4) add in relevant replacements for that year, and 5) identify the highest resulting value for the last 3 years.

School Districts:

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
Boise School #1	\$645,047	\$671,991	\$663,242	\$671,991
Kuna School #3	\$194,487	\$258,483	\$191,201	\$258,483
Melba School #136	\$0	\$66,185	\$42,989	\$66,185
West Ada School #2	\$929,935	\$999,268	\$1,024,722	\$1,024,722

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.

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County Name

Ada

Category Name

School

2025 Maximum Budget & Forgone Amounts Worksheet Replacements & Solar Farm Tax Revenue

(Data last updated: 4/14/2025)

District Name	Ag Equip Rep	2013 Personal Prop Rep	2022 Personal Prop Rep	2022 PP Rep After 2024 Adjustments	2022 Recovered Homeowners	2023 Recovered Homeowners	2024 Recovered Homeowners	2022 Solar Farm Tax Revenue	2023 Solar Farm Tax Revenue	2024 Solar Farm Tax Revenue	Sort Order
Boise School #1	\$4,279	\$331,805	\$51,943	\$51,943	\$11,195	\$9,094	\$7,938	\$0	\$0	\$0	8
West Ada School #2	\$18,013	\$351,053	\$47,945	\$47,945	\$14,634	\$335	\$542	\$17,733	\$20,396	\$29,644	9
Kuna School #3	\$2,069	\$50,390	\$8,431	\$8,431	\$0	\$0	\$0	\$59,089	\$71,930	\$73,253	10
Melba School #136	\$35,300	\$6,414	\$1,275	\$1,275	\$0	\$0	\$0	\$28,970	\$0	\$61,005	11

Previous Page



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).



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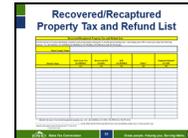
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Property Tax Replacements

- Money that is added in for determining the highest of the last 3 years
 - 3% growth includes replacement monies (NOT solar)
 - 2022 PP replacements now added to 2023 & 2024 (not earlier)
- Agricultural Equipment Replacement
 - Unchanged amount since 2006
- Personal Property Reimbursement
 - Constant amounts since 2013
 - New personal property replacements paid in 2022 due to increased maximum exemption
 - Re-calculated for 2025, but shouldn't affect schools
- Recovered/Recaptured amounts (7/1/24 – 6/30/25)
 - Recovered Homeowner's Exemptions
 - Recaptured QIE



Category	Amount	Year
Recovered Homeowner's Exemptions		
Recaptured QIE		

Property Tax Replacements

Amounts to be deducted each year

Agricultural Replacement dollars

Personal Property Reimbursement amounts (2013 & 2022)

Amounts to be deducted in year received

Recovered Homeowner's Exemption

Recaptured QIE

Recovered/Recaptured Property Tax and Refund List

- Applies to districts receiving solar farm tax or money from recovered homeowner's exemptions
- Will be sent by county clerk on or before Aug. 4th, 2025
 - 1st Monday of August each year
- These monies are treated as p-tax replacements for budget calculations in the L-2 form
 - Solar farm tax is different in that it is NOT included for 3% growth

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/governance/reports-and-statistics/>
 - New construction roll value – 4th Monday in July
 - Taxable value – 1st Monday in August
 - Locally assessed current year, estimated sub roll, & prior year operating property
 - Annexation values –
 - Real & personal (locally assessed) – 1st Monday in August
 - Operating property (assessed by STC) – 1st Monday in Sept.

List of Property Tax Related Forms

- 2025 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)
- Voter-Approved Fund Tracker (if applicable)
- Maximum Budget and Forgone Amount Worksheet
- L-2 forms at this web address:
 - <https://tax.idaho.gov/taxes/property/property-tax-forms-guides-by-category/>



State Tax Commission’s Website:

tax.idaho.gov

The screenshot shows the Idaho State Tax Commission website. The header includes the logo and navigation links: Taxes, Resource Center, Forms and Guides (circled in red), Governance, About Us, and Contact Us. A search icon is also present. Below the header is a banner with the slogan "Great people. Helping you. Serving Idaho." The main content area is divided into three columns: Individual, Business, and Governance & Research. The Individual column lists services like Individual Income Tax, Doing Taxes for Free, Pay Options, etc. The Business column lists Getting Tax Permits, Building Contractors, Sales and Use Taxes, etc. The Governance & Research column lists Property Tax Oversight, Open Meetings, Laws, Rules, Decisions, Policy Documents, and Reports and Statistics (circled in red).



State Tax Commission's Website:

tax.idaho.gov

IDAHO STATE TAX COMMISSION

Taxes ▾ Resource Center ▾ Forms and Guides ▾ Governance ▾ About Us ▾ Contact Us ▾

FORMS

- General Forms
- Tax Professional Forms
- Individual Income Tax Forms
- Business Income Tax Forms
- Withholding Forms
- Sales and Use Tax Forms
- Travel & Convention Tax Forms
- Beer Tax Forms
- Wine Tax Forms
- Cigarette Tax Forms
- Tobacco Tax Forms
- Fuels Taxes and Fees Forms
- IFTA Licenses Forms
- Property Tax Forms
- Property Homeowners Forms

GUIDES

- General Guides
- Individual Income Tax Guides
- Business Income Tax Guides
- Withholding Guides
- Sales and Use Tax Guides
- Property Tax Forms & Guides**
- Property Homeowners Guides
- Property Appraisers Guides
- Counties Guides
- IFTA Licenses Guides
- Guides for Certain Individuals
- Guides for Certain Groups
- Guides for Certain Businesses
- Guides for Tax Professionals

MOST-REQUESTED FORMS

- Request for Copies of Idaho Tax Returns
- Power of Attorney
- Public Records Request
- Sales Tax Resale or Exemption Certificate
- Employee's Idaho Military Spouse Withholding Exemption Certificate
- Estimated Payment of Individual Income Tax

State Tax Commission's Website:

tax.idaho.gov

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Homeowners
GIS
Counties
Education
Appraisers
Operating Property
Policy
Related links
Forms and Guides
Contact Property Tax

Property Tax Forms & Guides

Please select a property tax category.

Forms

25 entries per page

Form ID	Form Name
	2024 L-2 - County with Road & E
	2024 L-2 - General

Budget & Levy

- Certification of levy rates L-1
- Deferral Or Reduction
- GIS
- Homeowners
- Operating Property
- Policy
- Timber & Forestland

State Tax Commission's Website:

tax.idaho.gov



The screenshot shows the website's navigation menu with 'Reports and Statistics' selected. The main content area is titled 'Reports and Statistics' and includes a description of the commission's data collection. A red arrow labeled 'SCROLL' points to the 'Multi-tax Reports' section, which lists 'Property Tax – Budget & Levy' with three sub-links: 'September Values Dashboard', 'December (year-end) Values Dashboard', and 'Maximum Budget & Forgone Amounts for 2025'.

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
- 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!



Calculating the Maximum Tort Fund Property Tax Budget

Calculating the Maximum Tort Fund Property Tax Budget

- Highest tort fund p-tax budget of the immediate prior 3 years (including any p-tax replacements except solar farm tax) 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

Example: Computing 3% Increase

Year	2022	2023	2024
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	1,568	1,568
*Recovered Homeowner's Exemption	0	110	0
Total Property Tax Replacement monies	1,346	1,456	1,596
Total tort fund p-tax amount levied plus property tax replacements	125,735	132,384	137,814

$\begin{array}{r} \$ 137,814 \\ \times 0.03 \\ \hline \$ 4,134 \end{array}$	$\begin{array}{r} \$ 137,814 \\ + 4,134 \\ \hline \$ 141,948 \end{array}$ <p style="font-size: small;">(total plus 3% increase)</p>	$\begin{array}{r} \$137,814 \\ \times 1.03 \\ \hline \$141,948 \end{array}$
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* = Total received by district between July 1st thru June 30th each year.



Preliminary Levy Rates

- Provide budget increases for school districts' tort funds
- Multiplied by any applicable new construction, annexation, or terminating urban renewal values
- Increases from new construction & annexations subject to 8% cap
 - If district is taking 3% annual increase to tort budget, then increases from new construction & annexation limited to 5%
- Increases from terminating urban renewal allowed to exceed 8% cap



Preliminary Levy Rates

For new construction:

- Highest of the last 3 years
 - Tort levy including replacements except solar farm tax
- Add 3% (or less)
- Divide that sum by 2025 locally assessed net taxable value plus prior year's operating property value

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

Then,

2025 net taxable + 2024 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 = \$19,435,000
 - NC budget increase = $0.000257198 \times \$19,435,000 = \$4,999$
 - 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
- 2025 locally assessed net taxable value = \$200,000,000
- 2024 operating property value = \$25,000,000
- 2025 new construction value = \$8,000,000
 - 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 = 0.000137333
- Preliminary levy rate X new construction = \$1,099
- Cap on new construction (8% - 3% = 5% X 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
- 2025 locally assessed net taxable value = \$200,000,000
- 2024 operating property value = \$25,000,000
- 2025 new construction value = **\$11,000,000**
 - 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 = 0.000137333
- Preliminary levy rate X new construction = **\$1,511**
- Cap on new construction (8% - 3% = 5% X 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 & levies are set correctly



The L-2 Workbook

An Excel workbook that guides you through the property tax budget request process



This Section Does Not Apply to School Districts

Non-Exempt Budget Increase Calculation Summary

This section summarizes the allowable increases from the highest non-exempt property tax budget of the last 3 years (including replacements but not solar farm tax)
(see 'L-2 worksheet' tab for calculation detail)

Base budget increase selected (up to 3% selected above)	3.00%	\$ 5,475
New construction budget increase	2.75%	\$ 5,010
Effect of 8% cap on new construction & annexation increases	0.00%	\$ -
Other reductions to levying authority	0.00%	\$ -
Total non-exempt budget increase	5.75%	\$ 10,485

NEW!

Previous Three Years' Property Tax Budget Data

District Name: Example			
Amounts from 'Maximum Budget & Forgone Amounts Worksheet':	2022	2023	2024
Levied Amount for Tort	\$ 104,924	\$ 100,413	\$ 106,639
Agricultural Equipment Replacement Money (+)	\$ 3,437	\$ 3,437	\$ 3,437
2013 Personal Property Replacement Money (+)	\$ 60,540	\$ 60,540	\$ 60,540
2022 Personal Property Replacement Money (+)	\$ -	\$ 11,884	\$ 11,884
Recovered Homeowner's Exemptions (+)	\$ -	\$ 2,308	\$ -
Other Reductions (+)	\$ -	\$ -	\$ -
Solar Farm Tax Revenue	\$ -	\$ -	\$ -
Non-exempt (Tort) budget including replacements but NOT solar farm tax	\$ 168,901	\$ 178,582	\$ 182,500
TOTAL Non-Exempt Property Tax Budget (including replacements but not including solar farm tax revenue)	\$ 168,901	\$ 178,582	\$ 182,500

2025 L-2 Worksheet

District Name: Example		District Type: School	
Allowable Base Budget Calculation:			
Highest of the Last 3 years Non-Exempt P-Tax Budget + P-Tax Replacements (from the 'Maximum Budget & Forgone Amounts Worksheet' and highlighted in the table above)	(1)	\$	182,500
Selected Base Budget Growth Entered on the Dashboard = 3% (cannot exceed 3% of line 1)	(2)	\$	5,475

2025 L-2 Worksheet			
District Name: Example		District Type: School	
Allowable Base Budget Calculation:			
Highest of the Last 3 years Non-Exempt P-Tax Budget + P-Tax Replacements (from the 'Maximum Budget & Forgone Amounts Worksheet' and highlighted in the table above)		(1)	\$ 182,500
Selected Base Budget Growth Entered on the Dashboard = 3% (cannot exceed 3% of line 1)		(2)	\$ 5,475
New Construction, Annexation, & Expiring Urban Renewal Allowable Budget Increases Calculation:			
2024 Value of District's Operating Property from Each Applicable County:			
	Value		
Kootenai	(3a)	\$	440,104,157
Bonner	(3b)	\$	1,675,019
	(3c)		
	(3d)		
Total 2024 Operating Property Value (total of lines 3a thru 3d):		(3)	\$ 441,779,176
2025 District's Net Taxable Value & Estimated Sub-roll from Each Applicable County:			
	Value		
Kootenai	(4a)	\$	8,459,440,905
Bonner	(4b)	\$	43,090,552
	(4c)	\$	-
	(4d)	\$	-
Total 2025 Net Taxable Value & Estimated Sub-roll (total of lines 4a thru 4d):		(4)	\$ 8,502,531,457
Preliminary Levy Rate for New Construction:			
2025 New Construction Preliminary Levy Rate ((line 1 + line 2) / (line 3 + line 4)) = (\$187,975 / \$8,944,310,633)		(5)	0.000021016
2025 Value of District's New Construction Roll from Each Applicable County:			
	Value		
Kootenai	(6a)	\$	238,105,481
Bonner	(6b)	\$	261,331
	(6c)	\$	-
	(6d)	\$	-
Total New Construction Roll (NOT including expiring Urban Renewal) (total of lines 6a thru 6d)		(6)	\$ 238,366,812
New Construction Roll Allowable Budget Increase (multiply line 5 by line 6)		(7)	\$ 5,010
2025 Value of District's Annexed Property:			
2025 Full Taxable Value of Annexation from Property Assessed by County		(8)	\$ -
90% of Annexation Value Assessed by County		(9)	\$ -
Estimated Value of Annexed Operating Property (line 8 divided by line 4, then multiplied by line 3)		(10)	\$ -
2025 annexation preliminary levy rate ((line 1 + line 2)/(line 3 + line 4 + line 10))		(11)	0.000021016
Annexation allowable budget increase (multiply line 9 by line 11)		(12)	\$ -



2025 Expiring Urban Renewal:			
Total expiring Urban Renewal value	(13)		
80% of expiring Urban Renewal value	(14)		
Expiring Urban Renewal budget increase (line 5 multiplied by line 14)	(15)	\$	-
8% Cap on Allowable Tort Fund Increases (Except Expiring Urban Renewal):			
Total uncapped budget growth potential (Add lines 1+2+7+12+15)	(16)	\$	192,985
Total capped growth (max 8%) (line 1 X 1.08 + line 15)	(17)	\$	197,100
Tort fund after growth calculations and 8% cap (lesser of lines 16 and 17)	(18)	\$	192,985
Previous Solar Farm Tax (Forgone Amounts don't Apply to School Districts):			
	(19)		
	(20)		
	(21)		
Solar Farm Tax received in the highest budget of the last 3 years (added in after all growth calculations)	(22)	\$	-
Maximum Tort fund before replacements and solar are subtracted (line 18 + line 22)		(23)	\$ 192,985
Property Tax Replacements:			
Yearly amount of the agricultural equipment replacement money	(24)	\$	3,437
Yearly amount of the 2013 personal property replacement money	(25)	\$	60,540
Yearly amount of the 2022 personal property replacement money	(26)	\$	11,884
Recovered Homeowner's Exemption property tax	(27)		
Recaptured QIE	(28)		
Total Property Tax Replacements (Add lines 24 thru 28)	(29)	\$	75,861
Other Subtractions from Levying Authority:			
Other reductions reported in column 4 of the Recovered/Recaptured Property Tax list	(30)		
Solar Farm Tax received in the current year (7/1/24 - 6/30/25)	(31)		
Total additional revenues to be subtracted from levying authority (Add lines 30 & 31):	(32)	\$	-
Fire District Annexation (Cities Only):		(33)	\$ -
Tort Fund Less Property Tax Replacement (School Districts Only):			
If the total property tax replacements plus current year solar tax (Line 29 + Line 32) is less than or equal to the maximum tort fund (Line 23), the difference is shown here. This is the maximum amount of property tax that can be levied for the tort fund.	(34)		\$117,124
If the total property tax replacements plus current year solar tax (Line 29 + Line 32) is greater than or equal to the maximum tort fund (Line 23), the difference is shown here. The tort fund will be paid by the replacements (plus current year solar tax) and this is the minimum amount of property tax replacement that is to be subtracted from any other fund(s) levying property taxes.	(35)		



2025 Dollar Certification of Budget Request to Board of County Commissioners L-2
 (the "L-2 Worksheet" and applicable "Voter Approved Fund Tracker" and budget publication must be attached)

District Name: Example					
Fund Name	Total Approved Budget*	Cash Forward Balance & Other Revenue Not Shown in Columns 4 or 5	Revenue from School District Facilities Fund (IC§33-911)	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
Tort	\$20,281			\$4,235	\$16,046
NON-LEVIED FUNDS (must net zero)					
Column Subtotal:	\$20,281			\$4,235	\$16,046
Maximum Amount to be Levied for the Tort Fund:					\$16,046
Exempt Funds (Bonds, Supplementals, Plant Facilities, COSA, Tuition, Emergency, Budget Stabilization, & Judgment Funds)					
2024 Temp Supplemental	\$1,000,000				\$1,000,000
2005 Bond	\$318,272		\$123,456		\$194,816
2009 Bond	\$6,517,822				\$6,517,822
2019 Plant Facility	\$1,146,520				\$1,146,520
63-1305 Judgments	\$12,345				\$12,345
Column Subtotal:	\$8,994,959		\$123,456		\$8,871,503
Column Total:	\$9,015,240		\$123,456	\$4,235	\$8,887,549
Expected Totals (for balancing purposes)			\$123,456	\$4,235	

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 Facilities to Transfer to Supplemental (IC §33-804)*					
Plant Facilities & 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% Explanation Required)	"YES" = Explanation 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.

What to Submit?

- 2025 Dollar Certification of Budget Request to Board of County Commissioners L-2 (Signed)
- Budget hearing publication
- Voter-approved fund tracker
- If new voter-approved fund:
 - Canvass of votes
 - Ballot language
- Also submit:
 - Excel L-2 file (greatly expedites review & approval)

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 will 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
- Subtract all replacement monies on the L-2 worksheet

QUIZ?

Budget & Levy Workshops - School Session Quiz



<https://forms.office.com/g/a0m5SjDCeD>



Q & A

What questions do you have for us?



Appendix

-  ➤ Terminology
-  ➤ What is “New Construction”
-  ➤ School district exempt funds
-  ➤ Effects of boundary changes on bonds
-  ➤ Plant Facilities Election Information
-  ➤ Ballot Language Information
-  ➤ District Boundary Changes
-  ➤ Fee Increases

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 *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, emergency funds, judgment funds)

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. 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
 - 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
 - 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
 - Change of land use

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
 - 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 ≥ .002 and < .003
 - 60% majority vote required
 - Levy rate ≥ .003
 - Two-thirds (66.67%) majority vote required

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

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 10th of the effective year
 - 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: 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

Fee Increase Per Idaho Code §63-1311A

- Increase in excess of 5% of:
 - The last fee collected (individual not cumulative total), or
 - A decision to impose a new fee otherwise payable from property tax (see I.C. §63-1311)
- Requires notifying the public by:
 - Newspaper as defined by Idaho Code §60-106, or
 - 3 public meetings held in 3 different locations within the district's boundary, or
 - Single mailing notice to all district's residents