

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 358

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1  
2 RELATING TO REVENUE AND TAXATION; AMENDING SECTION 63-1312, IDAHO CODE, TO  
3 REMOVE A REQUIREMENT THAT THE TAX COMMISSION PROVIDE CERTAIN TAXABLE  
4 PROPERTY VALUATION INFORMATION BY SCHOOL DISTRICT; AND AMENDING SEC-  
5 TION 63-3638, IDAHO CODE, TO CLARIFY A PAST CODE REFERENCE.

6 Be It Enacted by the Legislature of the State of Idaho:

7 SECTION 1. That Section 63-1312, Idaho Code, be, and the same is hereby  
8 amended to read as follows:

9 63-1312. MUNICIPAL PROPERTY TAXES -- NOTIFICATION OF VALUATION. (1)  
10 Prior to the fourth Monday of March of the current year the county auditor  
11 must notify every taxing district or authority, other than school districts,  
12 of the total taxable valuation of all the taxable property situated within  
13 such districts for the preceding calendar year for the purpose of assisting  
14 such governing authorities in their determination of tax rates to be levied  
15 for the current year and other informational purposes. ~~Prior to the fourth~~  
16 ~~Monday of March of the current year the state tax commission must notify the~~  
17 ~~state board of education and the state department of education of the total~~  
18 ~~taxable valuation of all the taxable property situated within each school~~  
19 ~~district for the preceding calendar year.~~

20 (2) Prior to the first Monday in August the auditor of each county in  
21 the state shall notify the state tax commission and the clerk of each taxing  
22 unit in his county of the taxable valuation of all the taxable property situ-  
23 ated within that taxing district from the property roll for the current year,  
24 from the operating property roll for the previous year, from the prior year's  
25 actual or current year's estimated subsequent property roll and missed prop-  
26 erty roll, and the amount of value subject to occupancy tax notwithstanding  
27 exemptions authorized in chapter 6, title 63, Idaho Code, for the previous  
28 year.

29 (3) The auditor shall furnish the valuation from the current operating  
30 property roll upon receipt from the state tax commission.

31 (4) Subsequent to the notification of the county auditor of revenues  
32 sufficient to cover expenses as provided in section 50-2903(5), Idaho Code,  
33 taxable value as used in this section shall also include the value that ex-  
34 ceeds the value of the base assessment roll for the portion of any taxing dis-  
35 trict within a revenue allocation area.

36 SECTION 2. That Section 63-3638, Idaho Code, be, and the same is hereby  
37 amended to read as follows:

38 63-3638. SALES TAX -- DISTRIBUTION. All moneys collected under this  
39 chapter, except as may otherwise be required in sections 63-3203 and

1 63-3709, Idaho Code, shall be distributed by the state tax commission as  
2 follows:

3 (1) An amount of money shall be distributed to the state refund account  
4 sufficient to pay current refund claims. All refunds authorized under this  
5 chapter by the state tax commission shall be paid through the state refund  
6 account, and those moneys are continuously appropriated.

7 (2) Five million dollars (\$5,000,000) per year is continuously appro-  
8 priated and shall be distributed to the permanent building fund, provided by  
9 section 57-1108, Idaho Code.

10 (3) Four million eight hundred thousand dollars (\$4,800,000) per year  
11 is continuously appropriated and shall be distributed to the water pollution  
12 control account established by section 39-3628, Idaho Code.

13 (4) An amount equal to the sum required to be certified by the chair-  
14 man of the Idaho housing and finance association to the state tax commis-  
15 sion pursuant to section 67-6211, Idaho Code, in each year is continuously  
16 appropriated and shall be paid to any capital reserve fund, established by  
17 the Idaho housing and finance association pursuant to section 67-6211, Idaho  
18 Code. Such amounts, if any, as may be appropriated hereunder to the capital  
19 reserve fund of the Idaho housing and finance association shall be repaid for  
20 distribution under the provisions of this section, subject to the provisions  
21 of section 67-6215, Idaho Code, by the Idaho housing and finance associa-  
22 tion, as soon as possible, from any moneys available therefor and in excess  
23 of the amounts which the association determines will keep it self-support-  
24 ing.

25 (5) An amount equal to the sum required by the provisions of sections  
26 63-709 and 63-717, Idaho Code, after allowance for the amount appropriated  
27 by section 63-718(3), Idaho Code, is continuously appropriated and shall be  
28 paid as provided by sections 63-709 and 63-717, Idaho Code.

29 (6) An amount required by the provisions of chapter 53, title 33, Idaho  
30 Code.

31 (7) An amount required by the provisions of chapter 87, title 67, Idaho  
32 Code.

33 (8) For fiscal year 2011, and each fiscal year thereafter, four million  
34 one hundred thousand dollars (\$4,100,000), of which two million two hundred  
35 thousand dollars (\$2,200,000) shall be distributed to each of the forty-four  
36 (44) counties in equal amounts, and one million nine hundred thousand dol-  
37 lars (\$1,900,000) of which shall be distributed to the forty-four (44) coun-  
38 ties in the proportion that the population of the county bears to the popula-  
39 tion of the state. For fiscal year 2012, and for each fiscal year thereafter,  
40 the amount distributed pursuant to this subsection, shall be adjusted annu-  
41 ally by the state tax commission in accordance with the consumer price index  
42 for all urban consumers (CPI-U) as published by the U.S. department of la-  
43 bor, bureau of labor statistics, but in no fiscal year shall the total amount  
44 allocated for counties under this subsection, be less than four million one  
45 hundred thousand dollars (\$4,100,000). Any increase resulting from the ad-  
46 justment required in this section shall be distributed to each county in the  
47 proportion that the population of the county bears to the population of the  
48 state. Each county shall establish a special election fund to which shall be  
49 deposited all revenues received from the distribution pursuant to this sub-  
50 section. All such revenues shall be used exclusively to defray the costs as-

1 sociated with conducting elections as required of county clerks by the pro-  
2 visions of section 34-1401, Idaho Code.

3 (9) One dollar (\$1.00) on each application for certificate of title  
4 or initial application for registration of a motor vehicle, snowmobile,  
5 all-terrain vehicle or other vehicle processed by the county assessor or the  
6 Idaho transportation department excepting those applications in which any  
7 sales or use taxes due have been previously collected by a retailer, shall be  
8 a fee for the services of the assessor of the county or the Idaho transporta-  
9 tion department in collecting such taxes, and shall be paid into the current  
10 expense fund of the county or state highway account established in section  
11 40-702, Idaho Code.

12 (10) Eleven and five-tenths percent (11.5%) is continuously appropri-  
13 ated and shall be distributed to the revenue sharing account which is created  
14 in the state treasury, and the moneys in the revenue sharing account will be  
15 paid in installments each calendar quarter by the state tax commission as  
16 follows:

17 (a) Twenty-eight and two-tenths percent (28.2%) shall be paid to the  
18 various cities as follows:

19 (i) Fifty percent (50%) of such amount shall be paid to the vari-  
20 ous cities, and each city shall be entitled to an amount in the pro-  
21 portion that the population of that city bears to the population of  
22 all cities within the state; and

23 (ii) Fifty percent (50%) of such amount shall be paid to the vari-  
24 ous cities, and each city shall be entitled to an amount in the pro-  
25 portion that the preceding year's market value for assessment pur-  
26 poses for that city bears to the preceding year's market value for  
27 assessment purposes for all cities within the state.

28 (b) Twenty-eight and two-tenths percent (28.2%) shall be paid to the  
29 various counties as follows:

30 (i) One million three hundred twenty thousand dollars  
31 (\$1,320,000) annually shall be distributed one forty-fourth  
32 (1/44) to each of the various counties; and

33 (ii) The balance of such amount shall be paid to the various coun-  
34 ties, and each county shall be entitled to an amount in the propor-  
35 tion that the population of that county bears to the population of  
36 the state;

37 (c) Thirty-five and nine-tenths percent (35.9%) of the amount appro-  
38 priated in this subsection shall be paid to the several counties for  
39 distribution to the cities and counties as follows:

40 (i) Each city and county which received a payment under the provi-  
41 sions of section 63-3638(e), Idaho Code, during the fourth quarter  
42 of calendar year 1999, shall be entitled to a like amount during  
43 succeeding calendar quarters.

44 (ii) If the dollar amount of money available under this subsection  
45 (10)(c) in any quarter does not equal the amount paid in the fourth  
46 quarter of calendar year 1999, each city's and county's payment  
47 shall be reduced proportionately.

48 (iii) If the dollar amount of money available under this subsec-  
49 tion (10)(c) in any quarter exceeds the amount paid in the fourth  
50 quarter of calendar year 1999, each city and county shall be en-

1 titled to a proportionately increased payment, but such increase  
2 shall not exceed one hundred five percent (105%) of the total pay-  
3 ment made in the fourth quarter of calendar year 1999.

4 (iv) If the dollar amount of money available under this subsection  
5 (10) (c) in any quarter exceeds one hundred five percent (105%) of  
6 the total payment made in the fourth quarter of calendar year 1999,  
7 any amount over and above such one hundred five percent (105%)  
8 shall be paid fifty percent (50%) to the various cities in the pro-  
9 portion that the population of the city bears to the population of  
10 all cities within the state, and fifty percent (50%) to the various  
11 counties in the proportion that the population of a county bears to  
12 the population of the state; and

13 (d) Seven and seven-tenths percent (7.7%) of the amount appropriated in  
14 this subsection shall be paid to the several counties for distribution  
15 to special purpose taxing districts as follows:

16 (i) Each such district which received a payment under the pro-  
17 visions of section 63-3638 (e), Idaho Code, as such subsection ex-  
18 isted immediately prior to July 1, 2000, during the fourth quarter  
19 of calendar year 1999, shall be entitled to a like amount during  
20 succeeding calendar quarters.

21 (ii) If the dollar amount of money available under this subsec-  
22 tion (10) (d) in any quarter does not equal the amount paid in the  
23 fourth quarter of calendar year 1999, each special purpose taxing  
24 district's payment shall be reduced proportionately.

25 (iii) If the dollar amount of money available under this subsec-  
26 tion (10) (d) in any quarter exceeds the amount distributed under  
27 paragraph (i) of this subsection (10) (d), each special purpose  
28 taxing district shall be entitled to a share of the excess based on  
29 the proportion each such district's current property tax budget  
30 bears to the sum of the current property tax budgets of all such  
31 districts in the state. The state tax commission shall calculate  
32 district current property tax budgets to include any unrecovered  
33 foregone amounts as determined under section 63-802(1) (e), Idaho  
34 Code. When a special purpose taxing district is situated in more  
35 than one (1) county, the state tax commission shall determine the  
36 portion attributable to the special purpose taxing district from  
37 each county in which it is situated.

38 (iv) If special purpose taxing districts are consolidated, the  
39 resulting district is entitled to a base amount equal to the sum of  
40 the base amounts which were received in the last calendar quarter  
41 by each district prior to the consolidation.

42 (v) If a special purpose taxing district is dissolved or disin-  
43 corporated, the state tax commission shall continuously distrib-  
44 ute to the board of county commissioners an amount equal to the  
45 last quarter's distribution prior to dissolution or disincorpora-  
46 tion. The board of county commissioners shall determine any re-  
47 distribution of moneys so received.

48 (vi) Taxing districts formed after January 1, 2001, are not enti-  
49 tled to a payment under the provisions of this subsection (10) (d).

1 (vii) For purposes of this subsection (10) (d), a special purpose  
2 taxing district is any taxing district which is not a city, a  
3 county or a school district.

4 (11) Amounts calculated in accordance with section 2, chapter 356, laws  
5 of 2001, for annual distribution to counties and other taxing districts be-  
6 ginning in October 2001 for replacement of property tax on farm machinery and  
7 equipment exempted pursuant to section 63-602EE, Idaho Code. For nonschool  
8 districts, the state tax commission shall distribute one-fourth (1/4) of  
9 this amount certified quarterly to each county. For school districts, the  
10 state tax commission shall distribute one-fourth (1/4) of the amount certi-  
11 fied quarterly to each school district. For nonschool districts, the county  
12 auditor shall distribute to each district within thirty (30) calendar days  
13 from receipt of moneys from the state tax commission. Moneys received by  
14 each taxing district for replacement shall be utilized in the same manner  
15 and in the same proportions as revenues from property taxation. The moneys  
16 remitted to the county treasurer for replacement of property exempt from  
17 taxation pursuant to section 63-602EE, Idaho Code, may be considered by the  
18 counties and other taxing districts and budgeted at the same time, in the  
19 same manner and in the same year as revenues from taxation on personal prop-  
20 erty which these moneys replace. If taxing districts are consolidated, the  
21 resulting district is entitled to an amount equal to the sum of the amounts  
22 which were received in the last calendar quarter by each district pursuant  
23 to this subsection prior to the consolidation. If a taxing district is  
24 dissolved or disincorporated, the state tax commission shall continuously  
25 distribute to the board of county commissioners an amount equal to the  
26 last quarter's distribution prior to dissolution or disincorporation. The  
27 board of county commissioners shall determine any redistribution of moneys  
28 so received. If a taxing district annexes territory, the distribution of  
29 moneys received pursuant to this subsection shall be unaffected. Taxing  
30 districts formed after January 1, 2001, are not entitled to a payment under  
31 the provisions of this subsection. School districts shall receive an amount  
32 determined by multiplying the sum of the year 2000 school district levy mi-  
33 nus .004 times the market value on December 31, 2000, in the district of the  
34 property exempt from taxation pursuant to section 63-602EE, Idaho Code, pro-  
35 vided that the result of these calculations shall not be less than zero (0).  
36 The result of these school district calculations shall be further increased  
37 by six percent (6%). For purposes of the limitation provided by section  
38 63-802, Idaho Code, moneys received pursuant to this section as property tax  
39 replacement for property exempt from taxation pursuant to section 63-602EE,  
40 Idaho Code, shall be treated as property tax revenues.

41 (12) Amounts necessary to pay refunds as provided in section 63-3641,  
42 Idaho Code, to a developer of a retail complex shall be remitted to the demon-  
43 stration pilot project fund created in section 63-3641, Idaho Code.

44 (13) Amounts calculated in accordance with subsection (4) of section  
45 63-602KK, Idaho Code, for annual distribution to counties and other taxing  
46 districts for replacement of property tax on personal property tax exemp-  
47 tions pursuant to subsection (2) of section 63-602KK, Idaho Code, which  
48 amounts are continuously appropriated unless the legislature enacts a dif-  
49 ferent appropriation for a particular fiscal year. For purposes of the  
50 limitation provided by section 63-802, Idaho Code, moneys received pursuant

1 to this section as property tax replacement for property exempt from taxa-  
2 tion pursuant to section 63-602KK, Idaho Code, shall be treated as property  
3 tax revenues. If taxing districts are consolidated, the resulting district  
4 is entitled to an amount equal to the sum of the amounts that were received in  
5 the last calendar year by each district pursuant to this subsection prior to  
6 the consolidation. If a taxing district or revenue allocation area annexes  
7 territory, the distribution of moneys received pursuant to this subsection  
8 shall be unaffected. Taxing districts and revenue allocation areas formed  
9 after January 1, 2013, are not entitled to a payment under the provisions of  
10 this subsection.

11 (14) Amounts collected from purchasers and paid to the state of Idaho by  
12 retailers that are not engaged in business in this state and which retailer  
13 would not have been required to collect the sales tax, less amounts other-  
14 wise distributed in subsections (1) and (10) of this section, shall be dis-  
15 tributed to the tax relief fund created in section 57-811, Idaho Code. The  
16 state tax commission will determine the amounts to be distributed under this  
17 subsection.

18 (15) Any moneys remaining over and above those necessary to meet and  
19 reserve for payments under other subsections of this section shall be dis-  
20 tributed to the general fund.