

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 278

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1 RELATING TO PROPERTY TAXES; AMENDING SECTION 50-2908, IDAHO CODE, TO REVISE
2 PROVISIONS REGARDING PROPERTY TAX ALLOCATION BETWEEN AN URBAN RENEWAL
3 DISTRICT AND CERTAIN OTHER TAXING DISTRICTS; AND DECLARING AN EMER-
4 GENCY.
5

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

7 SECTION 1. That Section 50-2908, Idaho Code, be, and the same is hereby
8 amended to read as follows:

9 50-2908. DETERMINATION OF TAX LEVIES -- CREATION OF SPECIAL FUND. (1)
10 For purposes of calculating the rate at which taxes shall be levied by or
11 for each taxing district in which a revenue allocation area is located, the
12 county commissioners shall, with respect to the taxable property located in
13 such revenue allocation area, use the equalized assessed value of such tax-
14 able property as shown on the base assessment roll rather than on the current
15 equalized assessed valuation of such taxable property, except the current
16 equalized assessed valuation shall be used for calculating the tax rate for:

17 (a) Levies for refunds and credits pursuant to section 63-1305, Idaho
18 Code, and any judgment pursuant to section 33-802(1), Idaho Code, certi-
19 fied after December 31, 2007;

20 (b) Levies permitted pursuant to section 63-802(3), Idaho Code, certi-
21 fied after December 31, 2007;

22 (c) Levies for voter-approved general obligation bonds of any taxing
23 district and plant facility reserve fund levies passed after December
24 31, 2007;

25 (d) Levies for payment of obligations that have been judicially con-
26 firmed pursuant to chapter 13, title 7, Idaho Code, and that meet the
27 criteria of sections 63-1315 and 63-1316, Idaho Code;

28 (e) Levies set forth in paragraphs (a) through (d) of this subsection,
29 first certified prior to December 31, 2007, when the property affected
30 by said levies is included within the boundaries of a revenue allocation
31 area by a change in the boundaries of either the revenue allocation area
32 or any taxing district after December 31, 2007; and

33 (f) School levies for supplemental maintenance and operation pursuant
34 to section 33-802(3) and (4), Idaho Code, approved after December 31,
35 2007, and for emergency funds pursuant to section 33-805, Idaho Code,
36 approved after July 1, 2015.

37 (2) With respect to each such taxing district, the tax rate calculated
38 under subsection (1) of this section shall be applied to the current equal-
39 ized assessed valuation of all taxable property in the taxing district, in-
40 cluding the taxable property in the revenue allocation area. The tax rev-
41 enues thereby produced shall be allocated as follows:

1 (a) To the taxing district shall be allocated and shall be paid by the
2 county treasurer:

3 (i) All taxes levied by the taxing district or on its behalf on
4 taxable property located within the taxing district but outside
5 the revenue allocation area;

6 (ii) Except as otherwise provided in subparagraph (iv) of this
7 paragraph, a portion of the taxes levied by the taxing district or
8 on its behalf on the taxable property located within the revenue
9 allocation area, which portion is the amount produced by applying
10 the taxing district's tax rate determined under subsection (1) of
11 this section to the equalized assessed valuation, as shown on the
12 base assessment roll, of the taxable property located within the
13 revenue allocation area;

14 (iii) All taxes levied by the taxing district to satisfy obliga-
15 tions specified in subsection (1) of this section; and

16 (iv) 1. In the case of a revenue allocation area first formed
17 or expanded to include the property on or after July 1, 2020,
18 all taxes levied by any highway district, unless the local
19 governing body that created the revenue allocation area has
20 responsibility for the maintenance of roads or highways.
21 In the case of property located within a revenue allocation
22 area prior to July 1, 2020, or property located within a rev-
23 enue allocation area created by a local governing body that
24 has responsibility for the maintenance of roads or highways,
25 the allocation of taxes shall be governed by subparagraph
26 (ii) of this paragraph.

27 2. In the case of a revenue allocation area first formed or
28 expanded to include the property on or after July 1, 2021,
29 all taxes levied by any taxing district other than a high-
30 way district. In the case of property located within a rev-
31 enue allocation area prior to July 1, 2021, the allocation
32 of taxes shall be governed by subparagraph (ii) of this para-
33 graph.

34 3. In any case governed by the provisions of 1. or 2. of this
35 subparagraph, the highway district or other taxing district
36 and the urban renewal agency may enter into an agreement for
37 a different allocation. A copy of any such agreement shall
38 be submitted to the state tax commission and to the county
39 clerk by the highway district as soon as practicable after
40 the parties have entered into the ~~contract~~ agreement and by
41 no later than September 1 of the year in which the agreement
42 takes effect.

43 (b) To the urban renewal agency shall be allocated the balance, if any,
44 of the taxes levied on the taxable property located within the revenue
45 allocation area.

46 (3) Upon enactment of an ordinance adopting a revenue allocation fi-
47 nancing provision as part of an urban renewal plan, the urban renewal agency
48 shall create a special fund or funds to be used for the purposes enumerated
49 in this chapter. The revenues allocated to the urban renewal agency pursuant
50 to this chapter shall be paid to the agency by the treasurer of the county in

1 which the revenue allocation district is located and shall be deposited by
2 the agency into one (1) or more of such special funds. The agency may, in ad-
3 dition, deposit into such special fund or funds such other income, proceeds,
4 revenues and funds it may receive from sources other than the revenues allo-
5 cated to it under subsection (2) (b) of this section.

6 (4) For the purposes of section 63-803, Idaho Code, during the period
7 when revenue allocation under this chapter is in effect, and solely with
8 respect to any taxing district in which a revenue allocation area is located,
9 the county commissioners shall, in fixing any tax levy other than a levy
10 specified in subsection (1) of this section, take into consideration the
11 equalized assessed valuation of the taxable property situated in the revenue
12 allocation area as shown in the base assessment roll, rather than the current
13 equalized assessed value of such taxable property.

14 (5) For all other purposes, including, without limitation, for pur-
15 poses of sections 33-802, 33-1002 and 63-1313, Idaho Code, reference in the
16 Idaho Code to the term "market value for assessment purposes" (or any other
17 such similar term) shall mean market value for assessment purposes as de-
18 fined in section 63-208, Idaho Code.

19 SECTION 2. An emergency existing therefor, which emergency is hereby
20 declared to exist, this act shall be in full force and effect on and after its
21 passage and approval.