

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 587

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1 RELATING TO HIGHWAY DISTRICT LEVIES; AMENDING SECTION 50-2908, IDAHO CODE,  
2 TO REVISE PROVISIONS REGARDING THE TAX REVENUE PAID TO A HIGHWAY DIS-  
3 TRICT THAT INCLUDES A REVENUE ALLOCATION AREA, TO PROVIDE AN EXCEPTION,  
4 AND TO MAKE A TECHNICAL CORRECTION.  
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 A portion of the taxes levied by the taxing district  
8 or 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; and

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

16 (iv) In the case of a revenue allocation area first formed or ex-  
17 expanded to include the property on or after July 1, 2020, all taxes  
18 levied by any highway district. In the case of property located  
19 within a revenue allocation area prior to July 1, 2020, the alloca-  
20 tion of taxes shall be governed by subparagraph (ii) of this para-  
21 graph. In either case, the highway district and the urban renewal  
22 agency may enter into an agreement for a different allocation. A  
23 copy of any such agreement shall be submitted to the state tax com-  
24 mission and to the county clerk by the highway district as soon as  
25 practicable after the parties have entered into the contract and  
26 by no later than September 1 of the year in which the agreement  
27 takes effect.

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

31 (3) Upon enactment of an ordinance adopting a revenue allocation fi-  
32 nancing provision as part of an urban renewal plan, the urban renewal agency  
33 shall create a special fund or funds to be used for the purposes enumerated  
34 in this chapter. The revenues allocated to the urban renewal agency pursuant  
35 to this chapter shall be paid to the agency by the treasurer of the county in  
36 which the revenue allocation district is located and shall be deposited by  
37 the agency into one (1) or more of such special funds. The agency may, in ad-  
38 dition, deposit into such special fund or funds such other income, proceeds,  
39 revenues and funds it may receive from sources other than the revenues allo-  
40 cated to it under subsection (2) (b) of this section.

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

49 (5) For all other purposes, including, without limitation, for pur-  
50 poses of sections 33-802, 33-1002 and 63-1313, Idaho Code, reference in the

1 Idaho Code to the term "market value for assessment purposes" (or any other  
2 such similar term) shall mean market value for assessment purposes as de-  
3 fined in section 63-208, Idaho Code.