

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 230

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1 RELATING TO PROPERTY VALUATION FOR TAX PURPOSES; AMENDING SECTION 63-208,
2 IDAHO CODE, TO REVISE PROVISIONS REGARDING DUTIES OF ASSESSORS AND TO
3 PROVIDE FOR THE VALUATION OF INCOME-PRODUCING PROPERTY; AND DECLARING
4 AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE.
5

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

7 SECTION 1. That Section 63-208, Idaho Code, be, and the same is hereby
8 amended to read as follows:

9 63-208. RULES PERTAINING TO MARKET VALUE -- DUTY OF ASSESSORS. (1) It
10 shall be the duty of the state tax commission to prepare and distribute to
11 each county assessor and the county commissioners within the state of Idaho,
12 rules prescribing and directing the manner in which market value for assess-
13 ment purposes is to be determined for the purpose of taxation. The rules pro-
14 mulgated by the state tax commission shall require each assessor to find mar-
15 ket value for assessment purposes of all property, except that expressly ex-
16 empt under chapter 6, title 63, Idaho Code, within his county according to
17 recognized appraisal methods and techniques as set forth by the state tax
18 commission; provided, that the actual and functional use shall be a major
19 consideration when determining market value for assessment purposes.

20 (2) To maximize uniformity and equity in assessment of different cat-
21 egories of property, such rules shall, to the extent practical, require the
22 use of reproduction or replacement cost less depreciation as opposed to his-
23 toric cost less depreciation whenever cost is considered as a single or one
24 (1) of several factors in establishing the market value of depreciable prop-
25 erty. The state tax commission shall also prepare and distribute amendments
26 and changes to the rules as shall be necessary in order to carry out the in-
27 tent and purposes of this title. The rules shall be in the form as the commis-
28 sion shall direct, and shall be made available upon request to other public
29 officers and the general public in reasonable quantities without charge. In
30 ascertaining the market value for assessment purposes of any item of prop-
31 erty, the assessor of each county shall, and is required to, abide by, adhere
32 to and conform with rules promulgated by the state tax commission.

33 (3) When establishing the real property market value for assessment
34 purposes of income-producing property, the assessor may use one (1) or more
35 market valuation methods, provided that the market value shall not include
36 contract rent related to the real estate only and shall exclude any value
37 of exempt intangible personal property as provided in section 63-602L,
38 Idaho Code. Upon request by the property owner, the assessor shall provide
39 the property owner with the assessor's calculations used to derive the in-
40 come-producing property owner's market value, including any value exempted
41 by statute.

1 SECTION 2. An emergency existing therefor, which emergency is hereby
2 declared to exist, this act shall be in full force and effect on and after
3 July 1, 2023.