

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 258

BY REVENUE AND TAXATION COMMITTEE

AN ACT

RELATING TO PROPERTY TAXES; AMENDING SECTION 63-705A, IDAHO CODE, TO REVISE PROVISIONS REGARDING THE SPECIAL PROPERTY TAX OR OCCUPANCY TAX REDUCTION FOR CERTAIN DISABLED VETERANS; AND DECLARING AN EMERGENCY.

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

SECTION 1. That Section 63-705A, Idaho Code, be, and the same is hereby amended to read as follows:

63-705A. SPECIAL PROPERTY TAX OR OCCUPANCY TAX REDUCTION FOR DISABLED VETERANS. (1) For tax year 2021 and thereafter, regardless of any reduction received under section 63-705, Idaho Code, a veteran with a service-connected disability of one hundred percent (100%) or a disability rating based on individual unemployability rating that is compensated at the one hundred percent (100%) disability rate, as certified by the United States department of veterans affairs, shall receive a special reduction in property taxes or occupancy taxes levied on his homestead, as defined in section 63-701, Idaho Code. The special tax reduction shall be in the amount of one thousand five hundred dollars (\$1,500) or for the amount of the veteran's actual property taxes or occupancy taxes, as applicable, whichever is less. If a veteran qualifies for tax reduction under both this section and section 63-705, Idaho Code, the combined tax reduction amount may not exceed the actual amount of the veteran's property taxes or occupancy taxes on his homestead.

(2) An applicant for a special property tax or occupancy tax reduction under this section shall comply with all procedural requirements set forth in sections 63-701 through 63-710, Idaho Code, with the exception of any income documentation and the exception of the date limitations as set forth in subsection ~~(4)~~ (5) of this section.

(3) In the event that a qualified veteran applies for the special tax reduction in this section but then dies, the veteran's surviving spouse is entitled to receive the special tax reduction in that year and subsequent years, until such time as the surviving spouse remarries, dies, or no longer has property tax levied on the homestead.

(4) An applicant who is a veteran with a one hundred percent (100%) service-connected permanent and total disability, having once applied for and received the reduction under this section, shall be entitled to continue receiving the benefit in subsequent years without applying annually, unless the veteran changes homesteads pursuant to subsection (5) of this section.

~~(4)~~ (5) If a qualified veteran has applied for the special tax reduction under this section but after April 15 changes his homestead to a different property that would otherwise qualify for the special tax reduction under this section, the special tax reduction benefit is available for transfer. The state tax commission must notify the appropriate county officials to

1 transfer the special tax reduction benefit to the qualifying property when
2 all of the following conditions are met:

3 (a) The qualified veteran has applied for and been granted the tax re-
4 duction benefit before April 15;

5 (b) After April 15 but before October 1, the qualified veteran has
6 changed his homestead to a separate property that would otherwise qual-
7 ify for the special tax reduction authorized under this section; and

8 (c) The qualified veteran notifies the state tax commission before Oc-
9 tober 1 of the desire to transfer the tax reduction benefits to the qual-
10 ifying property.

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