

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 631

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1 RELATING TO URBAN RENEWAL; AMENDING SECTION 50-2908, IDAHO CODE, TO PROVIDE  
2 APPLICATION FOR COMMUNITY COLLEGE DISTRICT LEVIES APPROVED AFTER A CER-  
3 TAIN DATE IN RELATION TO THE CALCULATION OF THE TAX RATE AND TO MAKE A  
4 TECHNICAL CORRECTION; AMENDING SECTION 50-2908, IDAHO CODE, AS ADDED BY  
5 SECTION 11, CHAPTER 339, LAWS OF 2012, TO PROVIDE APPLICATION FOR COMMU-  
6 NITY COLLEGE DISTRICT LEVIES APPROVED AFTER A CERTAIN DATE IN RELATION  
7 TO THE CALCULATION OF THE TAX RATE AND TO MAKE A TECHNICAL CORRECTION;  
8 AMENDING SECTION 63-301A, IDAHO CODE, TO PROVIDE APPLICATION OF THE NEW  
9 CONSTRUCTION ROLL TO COMMUNITY COLLEGE DISTRICTS THAT HAVE AN URBAN RE-  
10 NEWAL REVENUE ALLOCATION AREA WITHIN THE DISTRICT AND TO MAKE TECHNICAL  
11 CORRECTIONS; AND DECLARING AN EMERGENCY.  
12

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

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

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

24 (a) Levies for refunds and credits pursuant to section 63-1305, Idaho  
25 Code, and any judgment pursuant to section 33-802(1), Idaho Code, cer-  
26 tified after December 31, 2007;

27 (b) Levies for payment of judgments pursuant to section 63-1305A, Idaho  
28 Code;

29 (c) Levies permitted pursuant to section 63-802(3), Idaho Code, certi-  
30 fied after December 31, 2007;

31 (d) Levies for voter approved general obligation bonds of any taxing  
32 district and plant facility reserve fund levies passed after December  
33 31, 2007;

34 (e) Levies set forth in paragraphs ~~(1)~~(a) through (d) of this subsec-  
35 tion, first certified prior to December 31, 2007, when the property af-  
36 fected by said levies is included within the boundaries of a revenue al-  
37 location area by a change in the boundaries of either the revenue allo-  
38 cation area or any taxing district after December 31, 2007; ~~and~~

39 (f) School levies for supplemental maintenance and operation pursuant  
40 to section 33-802(3) and (4), Idaho Code, approved after December 31,  
41 2007; and

1       (g) Community college district levies pursuant to sections 33-2111 and  
2       33-2112, Idaho Code, approved for tax year 2014 and each tax year there-  
3       after.

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

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

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

14       (ii) A portion of the taxes levied by the taxing district or on its  
15 behalf on the taxable property located within the revenue allo-  
16 cation area, which portion is the amount produced by applying the  
17 taxing district's tax rate determined under subsection (1) of this  
18 section to the equalized assessed valuation, as shown on the base  
19 assessment roll, of the taxable property located within the rev-  
20 enue allocation area; and

21       (iii) All taxes levied by the taxing district to satisfy obliga-  
22 tions specified in subsection (1) (a) through (f) of this section.

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

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

36       (4) For the purposes of section 63-803, Idaho Code, during the period  
37 when revenue allocation under this chapter is in effect, and solely with re-  
38 spect to any taxing district in which a revenue allocation area is located,  
39 the county commissioners shall, in fixing any tax levy other than the levy  
40 specified in subsection (1) (a) through (f) of this section, take into con-  
41 sideration the equalized assessed valuation of the taxable property situ-  
42 ated in the revenue allocation area as shown in the base assessment roll,  
43 rather than the current equalized assessed value of such taxable property.

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

1 SECTION 2. That Section 50-2908, Idaho Code, as added by Section 11,  
2 Chapter 339, Laws of 2012, be, and the same is hereby amended to read as fol-  
3 lows:

4 50-2908. DETERMINATION OF TAX LEVIES -- CREATION OF SPECIAL FUND. (1)  
5 For purposes of calculating the rate at which taxes shall be levied by or  
6 for each taxing district in which a revenue allocation area is located, the  
7 county commissioners shall, with respect to the taxable property located in  
8 such revenue allocation area, use the equalized assessed value of such tax-  
9 able property as shown on the base assessment roll rather than on the current  
10 equalized assessed valuation of such taxable property, except the current  
11 equalized assessed valuation shall be used for calculating the tax rate for:

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

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

17 (c) Levies for voter approved general obligation bonds of any taxing  
18 district and plant facility reserve fund levies passed after December  
19 31, 2007;

20 (d) Levies set forth in paragraphs ~~(1)~~(a) through (c) of this subsec-  
21 tion, first certified prior to December 31, 2007, when the property af-  
22 fected by said levies is included within the boundaries of a revenue al-  
23 location area by a change in the boundaries of either the revenue allo-  
24 cation area or any taxing district after December 31, 2007; and

25 (e) School levies for supplemental maintenance and operation pursuant  
26 to section 33-802(3) and (4), Idaho Code, approved after December 31,  
27 2007; and

28 (g) Community college district levies pursuant to sections 33-2111 and  
29 33-2112, Idaho Code, approved for tax year 2014 and each tax year there-  
30 after.

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

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

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

41 (ii) A portion of the taxes levied by the taxing district or on its  
42 behalf on the taxable property located within the revenue allo-  
43 cation area, which portion is the amount produced by applying the  
44 taxing district's tax rate determined under subsection (1) of this  
45 section to the equalized assessed valuation, as shown on the base  
46 assessment roll, of the taxable property located within the rev-  
47 enue allocation area; and

48 (iii) All taxes levied by the taxing district to satisfy obliga-  
49 tions specified in subsection (1) (a) through (e) of this section.

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

4 (3) Upon enactment of an ordinance adopting a revenue allocation fi-  
5 nancing provision as part of an urban renewal plan, the urban renewal agency  
6 shall create a special fund or funds to be used for the purposes enumerated  
7 in this chapter. The revenues allocated to the urban renewal agency pursuant  
8 to this chapter shall be paid to the agency by the treasurer of the county in  
9 which the revenue allocation district is located and shall be deposited by  
10 the agency into one (1) or more of such special funds. The agency may, in ad-  
11 dition, deposit into such special fund or funds such other income, proceeds,  
12 revenues and funds it may receive from sources other than the revenues allo-  
13 cated to it under subsection (2) (b) of this section.

14 (4) For the purposes of section 63-803, Idaho Code, during the period  
15 when revenue allocation under this chapter is in effect, and solely with re-  
16 spect to any taxing district in which a revenue allocation area is located,  
17 the county commissioners shall, in fixing any tax levy other than the levy  
18 specified in subsection (1) (a) through (e) of this section, take into con-  
19 sideration the equalized assessed valuation of the taxable property situ-  
20 ated in the revenue allocation area as shown in the base assessment roll,  
21 rather than the current equalized assessed value of such taxable property.

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

27 SECTION 3. That Section 63-301A, Idaho Code, be, and the same is hereby  
28 amended to read as follows:

29 63-301A. NEW CONSTRUCTION ROLL. (1) The county assessor shall prepare  
30 a new construction roll, which shall be in addition to the property roll,  
31 which new construction roll shall show:

32 (a) The name of the taxpayer;

33 (b) The description of the new construction, suitably detailed to meet  
34 the requirements of the individual county;

35 (c) A description of the land and its change in use, suitably detailed  
36 to meet the needs of the individual county;

37 (d) The amount of taxable market value added to the property on the cur-  
38 rent year's property roll that is directly the result of new construc-  
39 tion or a change in use of the land or both;

40 (e) The amount of taxable market value added as provided in subsection  
41 (3) (g) of this section as a result of dissolution of any revenue alloca-  
42 tion area;

43 (f) The amount of taxable market value to be deducted to reflect the  
44 adjustments required in subparagraphs (i) through (iv) of this subsection ~~(f) (i), (f) (ii), (f) (iii) and~~  
45 ~~(f) (iv)~~ (i) through (iv) of this subsection paragraph:

46 (i) Any board of tax appeals or court ordered value change, if  
47 property has a taxable value lower than that shown on any new con-  
48 struction roll in any one (1) of the immediate five (5) tax years  
49 preceding the current tax year;

1 (ii) Any reduction in value resulting from correction of value im-  
2 properly included on any previous new construction roll as a re-  
3 sult of double or otherwise erroneous assessment;

4 (iii) Any reduction in value, in any one (1) of the immediate five  
5 (5) tax years preceding the current tax year, resulting from a  
6 change of land use classification;

7 (iv) Any reduction in value resulting from the exemption provided  
8 in section 63-602W(4), Idaho Code, in any one (1) of the immediate  
9 five (5) tax years preceding the current tax year.

10 (2) As soon as possible, but in any event by no later than the first Mon-  
11 day in June, the new construction roll shall be certified to the county audi-  
12 tor and a listing showing the amount of value on the new construction roll in  
13 each taxing district or unit be forwarded to the state tax commission on or  
14 before the fourth Monday in July. Provided however, the value shown in sub-  
15 section (3) (f) of this section shall be reported to the appropriate county  
16 auditor by the state tax commission by the third Monday in July and the value  
17 sent by the county auditor to each taxing district. The value established  
18 pursuant to subsection (3) (f) of this section is subject to correction by the  
19 state tax commission until the first Monday in September and any such correc-  
20 tions shall be sent to the appropriate county auditor, who shall notify any  
21 affected taxing districts.

22 (3) The value shown on the new construction roll shall include the tax-  
23 able market value increase from:

24 (a) Construction of any new structure that previously did not exist; or

25 (b) Additions or alterations to existing nonresidential structures; or

26 (c) Installation of new or used manufactured housing that did not pre-  
27 viously exist within the county; or

28 (d) Change of land use classification; or

29 (e) Property newly taxable as a result of loss of the exemption provided  
30 by section 63-602W(3) or (4), Idaho Code; or

31 (f) The construction of any improvement or installation of any equip-  
32 ment used for or in conjunction with the generation of electricity and  
33 the addition of any improvement or equipment intended to be so used, ex-  
34 cept property that has a value allocated or apportioned pursuant to sec-  
35 tion 63-405, Idaho Code, or that is owned by a cooperative or municipal-  
36 ity, as those terms are defined in section 61-332A, Idaho Code, or that  
37 is owned by a public utility, as that term is defined in section 61-332A,  
38 Idaho Code, owning any other property that is allocated or apportioned.  
39 No replacement equipment or improvements may be included; or

40 (g) Except for community college districts, increases in value over  
41 the base value of property on the base assessment roll within an urban  
42 renewal revenue allocation area that has been terminated pursuant to  
43 section 50-2909(4), Idaho Code, to the extent that this increment ex-  
44 ceeds the incremental value as of December 31, 2006, or, for revenue  
45 allocation areas formed after December 31, 2006, the entire increment  
46 value. Notwithstanding other provisions of this section, the new con-  
47 struction roll shall not include new construction located within an  
48 urban renewal district's revenue allocation area, except as provided in  
49 this subsection (3) (g); or

1 (h) New construction, in any one (1) of the immediate five (5) tax years  
2 preceding the current tax year, allowable but never included on a new  
3 construction roll, provided however, that, for such property, the value  
4 on the new construction roll shall reflect the taxable value that would  
5 have been included on the new construction roll for the first year in  
6 which the property should have been included.

7 (i) Formerly exempt improvements on state college or state university  
8 owned land for student dining, housing, or other education related pur-  
9 poses approved by the state board of education and board of regents of  
10 the university of Idaho as proper for the operation of such state col-  
11 lege or university provided however, such improvements were never in-  
12 cluded on any previous new construction roll.

13 (j) For community college districts, increases in value over the base  
14 value of property on the base assessment roll within an urban renewal  
15 revenue allocation area, for previous increment value being added to  
16 the base value pursuant to section 50-2908, Idaho Code, in tax year  
17 2014, to the extent that this added former increment value exceeds the  
18 incremental value as of December 31, 2006, or, for revenue allocation  
19 areas formed after December 31, 2006, the entire increment value. For  
20 any new construction roll after tax year 2014, all otherwise qualifying  
21 new construction within urban renewal revenue allocation areas within  
22 community college districts may be included.

23 (4) The amount of taxable market value of new construction shall be the  
24 change in net taxable market value that is attributable directly to new con-  
25 struction or a change in use of the land or loss of the exemption provided by  
26 section 63-602W(3) or (4), Idaho Code. It shall not include any change in  
27 value of existing property that is due to external market forces such as gen-  
28 eral or localized inflation, except as provided in subsection (3) (g) of this  
29 section.

30 SECTION 4. An emergency existing therefor, which emergency is hereby  
31 declared to exist, this act shall be in full force and effect on and after its  
32 passage and approval.