

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 673

BY REVENUE AND TAXATION COMMITTEE

AN ACT

RELATING TO THE NEW CONSTRUCTION ROLL; AMENDING SECTION 63-301A, IDAHO CODE,
TO REVISE PROVISIONS REGARDING THE NEW CONSTRUCTION ROLL; AND DECLARING
AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE.

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

SECTION 1. That Section 63-301A, Idaho Code, be, and the same is hereby
amended to read as follows:

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

(a) The name of the taxpayer;

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

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

~~(d) The amount of taxable market value added to the property on the cur-
rent year's property roll that is directly the result of new construc-
tion, including a change in use of the land associated with the new con-
struction;~~

(ed) The amount of taxable market value added as provided in subsection
(3) ~~(gf)~~ of this section as a result of dissolution of any revenue allo-
cation area; and

~~(fe)~~ The amount of taxable market value to be deducted to reflect the
adjustments required in this paragraph:

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

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

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

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

(iv) Any voluntary reduction in value reflecting a portion of
certain homestead exemptions as provided in section 63-602G(9),
Idaho Code.

(2) As soon as possible, but in any event by no later than the first Mon-
day in June, the new construction roll shall be certified to the county audi-

1 tor and a listing showing the amount of value on the new construction roll in
 2 each taxing district or unit be forwarded to the state tax commission on or
 3 before the fourth Monday in July. Provided however, the value shown in sub-
 4 section (3) (~~fe~~) of this section shall be reported to the appropriate county
 5 auditor by the state tax commission by the third Monday in July and the value
 6 sent by the county auditor to each taxing district. The value established
 7 pursuant to subsection (3) (~~fe~~) of this section is subject to correction by
 8 the state tax commission until the first Monday in September and any such
 9 corrections shall be sent to the appropriate county auditor, who shall no-
 10 tify any affected taxing districts.

11 (3) Except as otherwise provided in this subsection, the value shown on
 12 the new construction roll shall include ninety percent (90%) of the taxable
 13 market value increase from:

14 (a) Construction of any new structure that previously did not exist,
 15 once it is completed and taxable; or

16 (b) Additions or alterations to existing nonresidential structures; ~~or~~

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

19 (d) ~~Change of land use classification associated with the new struc-~~
 20 ~~ture; or~~

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

23 (~~fe~~) The construction of any improvement or installation of any equip-
 24 ment used for or in conjunction with the generation of electricity and
 25 the addition of any improvement or equipment intended to be so used, ex-
 26 cept property that has a value allocated or apportioned pursuant to sec-
 27 tion 63-405, Idaho Code, or that is owned by a cooperative or municipal-
 28 ity as those terms are defined in section 61-332A, Idaho Code, or that
 29 is owned by a public utility as that term is defined in section 61-332A,
 30 Idaho Code, owning any other property that is allocated or apportioned.
 31 No replacement equipment or improvements may be included; ~~or~~

32 (~~gf~~) Provided such increases do not include increases already reported
 33 on the new construction roll as permitted in paragraphs (~~ji~~) and (~~kj~~)
 34 of this subsection, increases in value over the base value of property
 35 on the base assessment roll within an urban renewal revenue allocation
 36 area that has been terminated pursuant to section 50-2909(4), Idaho
 37 Code, to the extent that this increment exceeds the incremental value
 38 as of December 31, 2006, or, for revenue allocation areas formed af-
 39 ter December 31, 2006, eighty percent (80%) of the increment value.
 40 Notwithstanding other provisions of this section, the new construction
 41 roll shall not include new construction located within an urban renewal
 42 district's revenue allocation area, except as provided in this para-
 43 graph; ~~or~~

44 (~~hg~~) New construction, in any one (1) of the immediate five (5) tax
 45 years preceding the current tax year, allowable but never included on a
 46 new construction roll, provided however, that, for such property, the
 47 value on the new construction roll shall reflect the taxable value that
 48 would have been included on the new construction roll for the first year
 49 in which the property should have been included; ~~;~~

1 (~~i~~h) Formerly exempt improvements on state college-owned or state uni-
 2 versity-owned land for student dining, housing, or other education-re-
 3 lated purposes approved by the state board of education and board of
 4 regents of the university of Idaho as proper for the operation of such
 5 state college or university, provided ~~however,~~ such improvements were
 6 never included on any previous new construction roll-;

7 (~~j~~i) Increases in base value when due to previously determined incre-
 8 ment value added to the base value as required in sections 50-2903 and
 9 50-2903A, Idaho Code, due to a modification of the urban renewal plan.
 10 In this case, the amount added to the new construction roll will equal
 11 eighty percent (80%) of the amount by which the increment value in the
 12 year immediately preceding the year in which the base value adjustment
 13 described in this subsection occurs exceeds the incremental value as of
 14 December 31, 2006, or, for revenue allocation areas formed after Decem-
 15 ber 31, 2006, the entire increment value-; and

16 (~~k~~j) Increases in base value when due to previously determined in-
 17 crement value added to the base value as a result of a de-annexation
 18 within a revenue allocation area as defined in section 50-2903, Idaho
 19 Code. In this case, the amount added to the new construction roll will
 20 equal eighty percent (80%) of the amount by which the increment value
 21 in the year immediately preceding the year in which the de-annexation
 22 described in this subsection occurs exceeds the incremental value as of
 23 December 31, 2006, or, for revenue allocation areas formed after Decem-
 24 ber 31, 2006, the entire increment value within the area subject to the
 25 de-annexation.

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

33 (5) The amount of taxable market value of new construction shall not in-
 34 clude any new construction of property that has been granted a provisional
 35 property tax exemption, pursuant to section 63-1305C, Idaho Code. A prop-
 36 erty owner may apply to the board of county commissioners, if an application
 37 is required pursuant to section 63-602, Idaho Code, for an exemption from
 38 property tax at the time the initial building permits are applied for or at
 39 the time construction of the property has begun, whichever is earlier, or at
 40 any time thereafter.

41 (6) The amount of taxable market value of new construction shall not in-
 42 clude any new construction of property for which an exemption from sales and
 43 use tax has been granted pursuant to section 63-3622VV, Idaho Code.

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