

## IDAPA 35 - STATE TAX COMMISSION

### 35.01.03 - PROPERTY TAX ADMINISTRATIVE RULES

DOCKET NO. 35-0103-1302

#### NOTICE OF INTENT TO PROMULGATE RULES - NEGOTIATED RULEMAKING

**AUTHORITY:** In compliance with Sections 67-5220, Idaho Code, notice is hereby given that this agency intends to promulgate rules and desires public comment prior to initiating formal rulemaking procedures. This negotiated rulemaking action is authorized pursuant to Sections 67-5221(1) and 63-105A, Idaho Code.

**METHOD OF PARTICIPATION:** Interested persons wishing to participate in the negotiated rulemaking must respond to this notice by contacting the undersigned either in writing, by email, or by calling the phone number listed below. To participate, responses must be received by **September 25, 2013**.

Should a reasonable number of persons respond to this notice, negotiated meetings will be scheduled and all scheduled meetings shall be posted and made accessible on the agency website at <http://tax.idaho.gov/>.

Upon conclusion of the negotiated rulemaking, any unresolved issues, all key issues considered, and conclusions reached during the negotiated rulemaking will be addressed in a written summary and made available on the agency website at <http://tax.idaho.gov/>.

Failure of interested persons to respond to this notice of intent or the lack of a sufficient number of responses to this notice of intent may result in the discontinuation of further informal proceedings. In either event the agency shall have sole discretion in determining the feasibility of scheduling and conducting informal negotiated rulemaking and may proceed directly to formal rulemaking if proceeding with negotiated rulemaking is deemed infeasible.

Persons wishing to participate in the negotiated rulemaking may do any of the following:

1. Attend the negotiated rulemaking meeting (if scheduled) and participate in the negotiation process;
2. Attend through a teleconference;
3. Provide oral or written recommendations, or both, at the negotiated rulemaking meeting (if scheduled); and/or
4. Submit written recommendations and comments to the address below.

**DESCRIPTIVE SUMMARY:** The following is a statement in nontechnical language of the substance and purpose of the intended negotiated rulemaking and the principle issues involved:

Property Tax Rule 205 is being amended to clarify, by listing examples, that certain properties are improvements (buildings and structures) and real property, and therefore should not be eligible for the personal property exemption provided for in 63-602KK. The rule lists cell towers, underground storage tanks, poles and towers, signposts, pipelines and conduit and railroad track as examples of improvements that are not eligible for the personal property exemption.

Property Tax Rule 902 is modified to delete the requirement to issue tax notices for those accounts that have zero balances due to the personal property exemption granted by Section 63-602KK.

Property Tax Rule 020 is being amended to update the method used to value the recreational vehicle (living quarters) portion of a combined use vehicle.

Property Tax Rule 407 is being amended to restructure the hearing process to create a more summary and simple hearing, moving to a less adversarial process by adopting a more presentational process.

Property Tax Rule 626 is being amended to give guidance to the Tax Commission, county assessors, clerks, and companies on how to report exempt personal property for operating property and locally assessed property. It also gives instruction for adjusting the amounts on the personal property tax reduction list.

Property Tax Rule 632 is being amended to define oil and gas wells, and explains which property is eligible and ineligible for the exemption.

Property Tax Rule 804 is being amended to clarify the procedures to be followed in the levy of property taxes within taxing districts which are home to urban renewal revenue allocation areas.

Property Tax Rule 803 is being amended to add a paragraph (Budget Certification) a provision stating that the levy approved by the tax commission shall not exceed the amount shown in the notice of budget hearing.

**CONTACT INFORMATION, WEB ADDRESS, ASSISTANCE ON TECHNICAL QUESTIONS, SUBMISSION OF WRITTEN COMMENTS:** For assistance on technical questions concerning this negotiated rulemaking, contact Alan Dornfest at (208) 334-7742. Materials pertaining to the negotiated rulemaking, including any available preliminary rule drafts, can be found on the commission's web site at <http://tax.idaho.gov/>.

All written comments must be directed to the undersigned and must be delivered on or before September 25, 2013.

DATED this 8th day of August, 2013.

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