

## IDAPA 35 – IDAHO STATE TAX COMMISSION

### 35.01.03 – PROPERTY TAX ADMINISTRATIVE RULES

DOCKET NO. 35-0103-1704

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

**AUTHORITY:** In compliance with Section 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 63-105A and 63-802, Idaho Code.

**METHOD OF PARTICIPATION:** Interested persons wishing to participate in the negotiated rulemaking may do any of the following:

Negotiated meetings will be scheduled and all scheduled meetings shall be posted and made accessible on the agency website at the address listed below.

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

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.

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.

**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 314** – This rule would adopt the guidance found in “IAAO Standard on Mass Appraisal of Real Property, 2013” or discuss possible modifications to the standard’s section entitled “Alternative to Periodic On-site Inspections” to give assessors guidance as to the extent that aerial maps could supplement field inspections.

**PROPERTY TAX RULE 404** – The existing rule provides companies an automatic extension of the due date for the entire operator’s statement whenever the tax commission fails to submit changes in tax code area boundary lines by March 1. This delays the appraisal of the company because the entire operator’s statement is not available until the mapping changes are completed. This rule allows an extension of the filing date for only the portion of the operator’s statement, which relates to specific tax code area information, but would exclude all other information that is not dependent upon map changes. The portions of the operator’s statement not affected by map changes would not be granted an automatic due date extension from the current due date of April 30.

**PROPERTY TAX RULE 612** – This rule adds the provision that the assessor determines whether a park model recreational vehicle can be licensed and registered. This rule clarifies that the assessor makes the determination whether or not park model recreational vehicles qualify for the property tax exemption by using the criteria set out in newly amended I.C. 49-445 (HB156). In addition, this rule provides that park model recreational vehicles that are not licensed and registered be subject to the property tax. An additional clarification provides that park models which are licensed and registered before the fourth Monday in November are exempt from property tax regardless of the taxable status of park models on January 1 of any year.

**PROPERTY TAX RULE 631** – Recently enacted HB 235 changed the investment threshold for which a taxpayer may qualify for the property tax exemption found in I.C. 63-602NN, which is the exemption for value added by business investment. The rule changes the qualifying investment threshold from \$3 million to not less than \$500 thousand at the discretion of the County Commission. In addition, rule will provide guidance on maintaining uniformity under the ordinance, and the examples will be updated to reflect the new law.

PROPERTY TAX RULE 803 – Taxing districts and other county officials need clarification on how to compute forgone amount presented in recently enacted HB207. This rule explains how to compute the amount of forgone increase that may be disclaimed. The maximum amount of forgone increase subject to being disclaimed in the current year is the difference between the total forgone amount based on the approved portion of each taxing district’s budget certified in September of the previous year and the district’s total forgone amount based on the approved portion of the taxing district’s budget certified two years ago.

**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 website at the following web address: [www.tax.idaho.gov](http://www.tax.idaho.gov).

All written comments must be directed to the address below.

DATED this 3rd day of May, 2017

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