



Idaho Association of County Treasurers Provides Information Regarding Upcoming Property Tax Relief from New 2023 Legislation

In the 2023 Legislative Session, the Idaho Legislature passed several bills to provide property tax relief based on the Fiscal Year 2023 State surplus. These bills include House Bill (HB) 292, HB 258, and changes to the Property Tax Reduction Program (PTR) (formerly known as “Circuit Breaker”). The purpose of these new bills and changes is to reduce the property tax burden for owners without shifting costs between types of property.

Three types of property tax relief from HB292 will be available in 2023:

- **School District Facilities Fund (SDFF)** will be paid to eligible school districts’ bonds and temporary supplemental levies using State money to contribute to a reduction in property tax. Relief will be reimbursed based on average daily attendance. Not all school bonds will be eligible, but those that are will be reflected as a savings on the tax bill. This money is reimbursed directly to the schools with bonds or levies that are eligible for this relief.
- **Homeowner Tax Reduction (HTR)** provides a relief to the property of tax payors who own and occupy their home. This tax relief credit is applied only to parcels with a Homeowner’s Exemption (HOE) and will be paid by the State reflected as a credit on your tax bill. This is a percentage of the home’s tax and is calculated using the sum of the **HTR** lists provided statewide divided by the amount allocated in the Tax Relief Account held by the State. HOE must have been applied for by the 2nd Monday in July to be eligible for the credit. Applications after this date may still receive a HOE, but not the additional HTR credit. If your property already qualified for a HOE, you do not need to reapply. HTR will not apply to newly built homes completed in 2023.
- **Additional Property Tax Relief (ATR)** is for all property owners based on a percentage of the property tax. After \$50 million from the State Tax Relief Account has been applied to HTR, 50% of the remaining funds will be allocated to all properties and will be allocated to urban renewal agencies, if applicable. This will also be reflected as a credit on your tax bill that will be paid by the State directly to the county on your behalf.

HB258 provides property tax reduction benefits to veterans with 100% service-connected, permanent disabilities. This bill allows for a one-time application rather than annual re-qualification.

Changes to the PTR program include increasing the income and property value thresholds and making the program more accessible to seniors and disabled property owners. The SDFF, HTR, and ATR will reduce the tax amount owed prior to applying the PTR payment.

The State of Idaho will disburse these credits directly to County governments, to then be distributed to the local taxing districts similar to other State replacement money. Any property tax relief that your property is eligible for will automatically be applied to your tax bill and will be reflected as a credit.

The Idaho Association of County Treasurers (IACT) and the Idaho Association of Counties (IAC) have provided answers to frequently asked questions regarding this tax relief that can be found at idcounties.org/resources/hb292-property-tax-relief/.

