

## The 1981 Idaho Legislature

# Few changes predicted for tax initiative

**(Editor's note: This is the first in a series of 16 articles giving the views of East Idaho legislators and the leadership on the salient issues shaping up for the coming session.)**

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Most East Idaho legislators and the leadership see few changes in store for the 1 Percent Initiative, which looms as the dominant issue in the 1981 Idaho Legislature.

Rep. Darwin Young, R-Blackfoot, the new House assistant majority leader who had a key hand in writing the present legislation, said flatly "I think we can continue the present law with a few modifications."

He said he had no ideas on a comprehensive tax reform system.

Senate Majority Leader James E. Risch, R-Boise, said he thought the

freeze should continue and the 1 percent should stay on the books just as enacted with the minimum changes that the Legislature made.

Senate President Pro Tem Reed Budge, R-Soda Springs, said he thought Idaho's present tax base is adequate to fund state government, if government would live within its means.

"The 1 percent is fully implemented," Budge said. "I think we should look however in the area of revaluation in which we are getting involved and which is increasing taxes. I also feel we should take a look at the State Tax Commission and question some of its interpretations on tax laws."

House Speaker Ralph Olmstead, R-Twin Falls, said he favors allowing growth and an inflation factor added to the budget freeze for the 1 percent.

House Majority Leader Walter E. Lit-

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tle, R-New Plymouth, said "put new property above the freeze but maintain the freeze."

The new House minority leader, Rep. Melvin Hammond, D-Rexburg, said something needs to be done but he has no specifics. He said he has received more inquiries on this issue than any other. He also called for continuance of the budget freeze.

The comment of Sen. Dane Watkins, R-Idaho Falls, new chairman of the Senate Local Government and Taxation Committee, was to the effect the freeze and homeowners exemption should be extended and continued.

"Utilities should give rate deductions on their property tax windfalls. Also, more time should be given to assessors and property tax payers to assess and contest their 1978 market values," he said.

State Rep. John O. Sessions, R-Driggs, said over-ride elections should be permitted for at least a two year period. He said he would support a change in the constitution to permit different classification of properties for taxing purposes. Utilities, commercial, residential, etc, could be assessed and taxed at different levels.

A new state senator, Sen. William L. Floyd, R-Idaho Falls, suggested establishing a tax based on the "Gross State Product" as has been proposed for budget tagged to the 1 percent of the Gross National product.

Rep. Gary L. Paxman, R-Idaho Falls, said flatly the budget freeze will probably be necessary for another year.

Most other East Idaho legislators also had similar views, indicating any changes in the present 1 percent tax initiative will be comparatively minor.