

Legislators back support for tax relief for elderly

(Editor's note: This is the third 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. This is on tax relief.)

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Almost in a single voice, East Idaho legislators strongly favor tax relief for the elderly, particularly for continuing the senior citizen tax relief circuit breaker and extending home exemption.

Most agree that with the tight money situation there is no chance for a general tax relief benefit which has been granted on most of the recent years.

State Sen. Mark G. Ricks, R-Rexburg, new chairman of the Senate Commerce and Labor Committee, has a novel idea on homeowners exemption. He said he voted against it last year and will do so again this year but mainly because of procedure.

Ricks said he favors instead a comprehensive tax relief plan in which all property owners get relief automatically under a new law, the specifics of which must be worked out.

Ricks explained he dislikes the present plan where homeowners had to apply,

rather than getting it automatically.

"In Madison County," he said about 50 percent of the people didn't get the exemption because they neglected to apply."

Ricks said he favors continuing the senior citizens circuit breaker.

"Lots of people have been unhappy over the property tax rises this year," said Sen. J. Marsden Williams, R-Idaho Falls. "I certainly would favor continuing the homestead exemption to help in tax relief and the senior citizens circuit breaker is now a permanent law to continue year after year."

Sen. Veal Crystal, R-Rigby, said he could see no possibilities for tax relief except that the senior citizen circuit breaker continues but that he would have to study backing home exemption for another year to see if the revenue will permit it. He remarked a sales tax increase would likely be harder on the elderly with a fixed income than any other class of people.

Rep. Linden B. Bateman, R-Idaho Falls, asserted the senior citizen circuit breaker should be maintained and the home exemption should be made permanent.

"Efforts should be made to replace more property tax with state funds for education," he said.

A member of the Revenue and Taxation Committee which first determines whether revenues are adequate, Rep. Darwin Young, R-Blackfoot, was more pessimistic, saying "no new tax relief will be considered this year."

All of the Senate and House leadership, Senate President Pro Tem Reed Budge, Senate Majority Leader Jim Risch, House Speaker Ralph Olmstead, House Majority Leader Walter E. Little and House Minority Leader Melvin Hammond all expressed pessimism over granting further tax relief, except that the senior citizen circuit breaker would continue. They expressed doubt whether the homeowner exemption will be allowed, depending on the revenue.

Olmstead voiced more generosity, saying as much tax relief as possible should be given and suggested a program for possibly providing investment tax credit and an increase in grocer credit allowance.

Rep. Elaine Kearnes, R-Idaho Falls, chairman of the House Health and Welfare Committee, extended full support for tax relief for the elderly and the disadvantaged as much as revenue will permit. She noted these people have meager income and should get all the help possible.

Sen. Dane Watkins, R-Idaho Falls, noted property tax relief will remain one of the most important issues the coming session.

"One of the best ways to give property tax relief is to eliminate the property tax and at the same time make up the loss of revenue to local units from state sources," said Watkins.

He then observed the Legislature has given \$60 million in this type of relief, adding "this must be continue if Idaho is going to get off the property tax treadmill."

Sen. William Floyd, R-Idaho Falls, said the people may want a constitutional amendment to place more tax back on business and utilities. He said the people are saying they want to cut government when the 1 percent initiative was passed.

Rep. Wayne E. Tibbitts, R-Loranzo, commented he had always been agreeable to property tax relief, such as the circuit breaker to any who might qualify, and "also maybe continuance of the home exemption."

The lone Democrat senator in East Idaho, Sen. Israel Merrill, of Blackfoot, advocates doubling and making permanent the homestead exemption if the courts say it is legal.