

# Study indicates tax bill will s

By BEN J. PLASTINO  
Post-Register political editor

BOISE — A Boise Democratic senator contended the 1 percent Tax Initiative implementation would provide little or no relief to home owners but a Blackfoot Republican state representative disputed this.

Sen. Ken Robison, D-Boise, said HB 670, the prime bill most consider will implement the tax initiative would not keep a lid on property taxes but would give widespread relief to business and industry.

Robison quoted a report of the Idaho Tax Commission which indicated a 14.2 percent increase in residential property taxes statewide.

Rep. Darwin L. Young, R-Blackfoot, who with Rep. Michael Gwartney, R-Boise, authored HB 670, asserted commercial and utility properties were drastically over-assessed in the past, compared to residential property, and in

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### The political pulse

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consequence paid higher taxes.

Young pointed out the Idaho Supreme Court outlawed disparities and ruled all properties must be valued equitably.

#### Most counties

Robison said that in 32 of Idaho's 44 counties, the home valuation will rise.

In East Idaho, he said, owners of a home with a market value of \$50,000 will pay \$82 more in Bonneville, \$168 more in Bingham, Butte County \$237

more, Clark \$398, Teton \$245 more, Fremont \$60 more and Custer \$76 more.

Because Lemhi, Jefferson and Madison are now assessed near the top, the Lemhi owner will pay \$103 less, Jefferson, \$1 less and Madison only \$4 more on such a \$50,000 home.

Robison asserted this is the reason that home exemptions should be granted.

#### Proposed bill

The Young-Gwartney bill em-

bodied in HB 670 proposes a one-year freeze extension of budgets, granting an 8 percent increase in the growth factor. It would repeal the initiative's 2 percent limit on increases in assessments.

Young said it's the expectation that statewide reappraisals this spring will bring market values up so much that last year's tax rates, even if raised as much as 8 percent, will in most cases be less than 1 percent of the new market values.

Robison said Alan Dornfest, Boise Idaho Tax Commission primary analyst, prepared the figures. The study showed residential property taxes would decrease only 14.2 percent while commercial property would drop 34.3 percent and utilities 45.7 percent.

Gov. John V. Evans has insisted on home exemptions and has indicated he will veto any measure that doesn't bring home owner property relief equitable or higher in comparison with commercial and utilities.

#### Most services

"The homeowners are the ones getting the most services," said Young. "This suggests that maybe residential property owners haven't paid their fair share."

Young said commercials and utilities were appraised at a higher level than homeowners.

Robison also proposed that

## New school formula to aid all schools, says Evans

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By BEN J. PLASTINO  
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BOISE — All of Idaho's 115 school districts would get increased funding under new unit funding, Jerry Evans, Idaho superintendent of public instruction, said Wednesday.

He pointed out that the new formula provides for at least an 8.5 percent budget increase over the past year.

Even in the case of Idaho Falls School District 91 with a declining student enrollment, there will be an increase.

Evans noted, however, to overcome objections of Dr. James Parsley, Idaho Falls District 91 superintendent, a bill has been drafted that allows a leeway of 1 percent student loss for each of the next three years without suffering a loss in revenue.

Evans said his new formula which he described as "unit funding" — so named because he considers it on basis of 20 students per unit — will give the schools \$186,277,894. This is \$21,590,454 more than the \$164,687,440 they would have received under the present average daily attendance formula.

As result of the 1 percent student enrollment leeway, Dr. Parsley removed his opposition to Evans' unit system in testifying last week before the Senate Health, Education and Welfare Committee and the

House Revenue and Taxation Committees.

Both committees and the Senate passed the bill and it is now up for final action on the House floor.

The gains for each of the East Idaho school district follow, listed respectively, the new unit system, the old average daily attendance formula, and the increase:

Idaho Falls District 91, \$8,135,602, \$7,475,283, gain of \$660,318; East Bonneville 93, \$5,919,250, \$5,286,411, gain of \$632,838; Swan Valley 93, \$97,073, \$88,826, gain of \$8,176.

Snake River 52, \$1,946,554, \$1,691,951, gain of \$254,603; Blackfoot 55, \$4,054,151, \$3,649,273, gain of \$404,878; Aberdeen 58, \$874,608, \$757,183, gain of \$117,424; Firth 59, \$1,061,687, \$911,961, gain of

\$149,726; Shelley 60, \$1,960,368, \$1,708,652, gain of \$251,716.

Arco 111, \$910,160, \$801,061, gain of \$108,099; Clark 16, \$237,343, \$196,065 gain of \$41,278; Challis 181, \$547,586, \$495,297, gain of \$52,288; Mackay 182, \$368,561, \$337,085, gain of \$31,476.

Fremont 215, \$2,682,258, \$2,300,718, gain of \$381,539; Jefferson 251, \$3,545,602, \$3,111,819, gain of \$433,783; Ririe 252, \$688,092, \$598,476, gain of \$89,612.

Salmon 291, \$1,335,637, \$1,148,103, gain of \$187,537; South Lemhi 292, \$173,650, \$109,582, gain of \$64,067;

Madison 321, \$2,600,251, \$2,311,815, gain of \$288,436; Sugar-Salem 322, \$899,880, \$739,068, gain of \$160,812; and Teton 401, \$808,232, \$719,250, gain of \$88,981.

# hort change home owners

override levies beyond the freeze be allowed by simple majority rather than two thirds.

HB 670 places limits of 20 mills on school districts, 45 on cities, 13 on county govern-

ments, 10 on highway districts and 10 on others.

## Tax study

Alan Dornfest, tax commission research project coordinator for the property tax sec-

tion, supports the Robinson assertions.

In his summary, he says:

"Of the 44 tax code areas selected, 21 areas indicate an increase in residential property taxes from 1979 to 1980. It is also quite evident that utility and commercial properties will receive the greatest decrease in taxes, with this decrease exceeding 50 percent for utility property in 18 of the tax code areas and exceeding 40 percent for commercial property in 14 of the tax code areas. The decrease in residential property taxes, when it occurs at all, is greater than 20 percent in only 6 cases.

"Undervaluation of residential property, when compared with utility and commercial property, has been predominant and traditional throughout much of Idaho. If this practice is now to cease in accordance with H.B. 166 (1979) and other laws specifying how property is to be valued, a substantial shift of tax burdens toward the residential property must result.

"Some alleviation of additional tax responsibilities may be offered by the 1 percent tax limitation. However, because of the nature of this measure and the previous state of comparative valuation between different types of property, the 1 percent limit will serve mainly to reduce property taxes in other than residential property. It is also important to realize the the various alternative 1 percent implementation plans under

discussion are mostly efforts to reduce the impact of the 1 percent measure on local government.

"In order to accomplish this goal, most of these alternatives would have the effect of increasing the tax burden of all types of property to some degree with the largest increase being felt once again by the residential property. The end result of ameliorating the impact of the 1 percent on local government could be to raise all or most residential property taxes while still granting substantial tax relief to commercial and utility property.



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## Challenges bill

BOISE — State Sen. Ken Robison, D-Boise, contends the present 1 Percent Tax Initiative Bill, HB 670, will bring higher, not lower taxes, to most home owners.