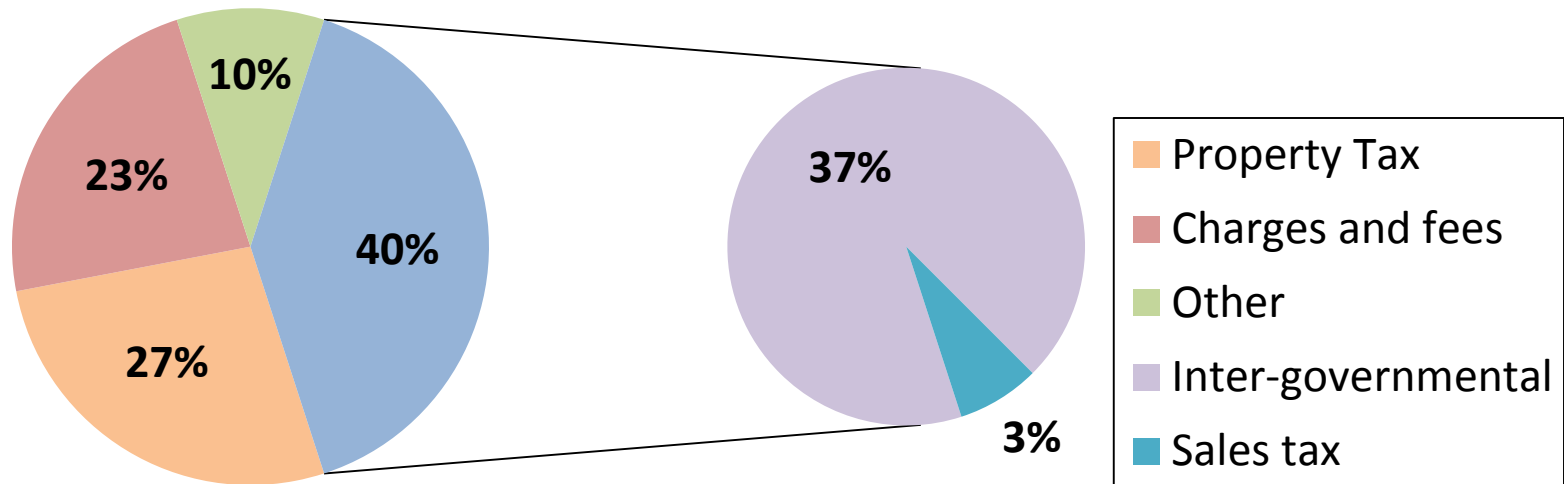


Local Government Funding

Ken A. Roberts, Chairman
Idaho State Tax Commission

Idaho Local Government Revenue Sources – FY 2013

Proportion of Total Revenue



Major Local Revenue Sources FY 2016

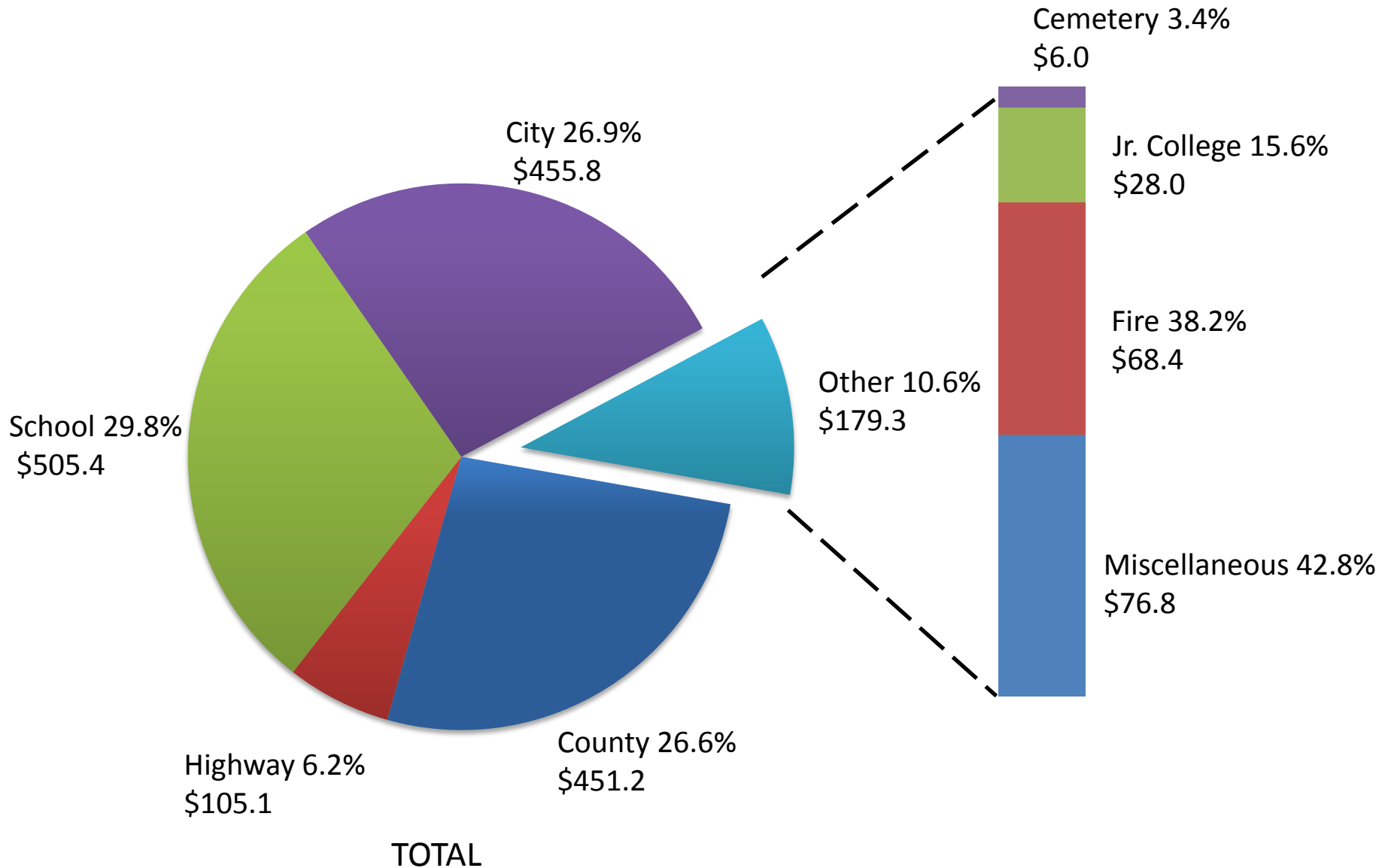
(excluding federal funds or general funds)

Property Taxes	\$1,696,700,000
Sales Tax Revenue Share	\$177,834,000
Other Sales Tax Distributions	\$48,471,000
Liquor Taxes	\$32,530,000
Fuels Taxes (Local Highway Distribution Fund)	\$22,744,000
Miscellaneous Other State Taxes	\$16,676,000
TOTAL	\$1,994,955,000

How Has Property Tax Use Changed?

Comparison of 2015 - 2016 Property Tax by District Type				
District Category 10/27/2016	Property Tax		% Inc/Dec	\$ Inc/Dec
	2015	2016		
County	428,127,205	451,178,778	5.4%	23,051,573
City	434,352,500	455,812,581	4.9%	21,460,081
School	488,510,312	505,410,637	3.5%	16,900,325
Ambulance	24,634,075	25,347,523	2.9%	713,448
Auditorium	15,790	16,189	2.5%	399
Cemetery	5,478,149	6,028,048	10.0%	549,899
Extermination	950,096	1,019,506	7.3%	69,410
Fire	65,208,791	68,411,766	4.9%	3,202,975
Flood Control	540,297	568,956	5.3%	28,659
Roads & Highways	102,057,785	105,064,178	2.9%	3,006,393
Hospital	8,759,218	9,184,030	4.8%	424,812
Junior College	27,074,218	27,985,726	3.4%	911,508
Library	23,136,604	24,242,131	4.8%	1,105,527
Mosquito Abatement	6,510,693	6,911,861	6.2%	401,168
Port	420,000	405,000	-3.6%	(15,000)
Recreation	5,470,202	5,601,808	2.4%	131,606
Sewer Incl Rec Sewer	455,392	449,491	-1.3%	(5,901)
Sewer & Water	2,365,618	2,505,770	5.9%	140,152
Water	165,547	165,925	0.2%	378
Watershed	129,837	129,923	0.1%	86
Community Infrastructure	211,639	294,125	39.0%	82,486
Total:	1,624,573,968	1,696,733,952	4.4%	72,159,984

2016 Property Tax Use



Other Sales Tax Distributions FY 2016

(in addition to Revenue Share)

Personal Property Replacement	\$18,890,000
County Circuit Breaker	\$16,606,000
Agricultural Property Tax Relief	\$8,487,000
Election Consolidation	\$4,488,000
TOTAL	\$48,471,000

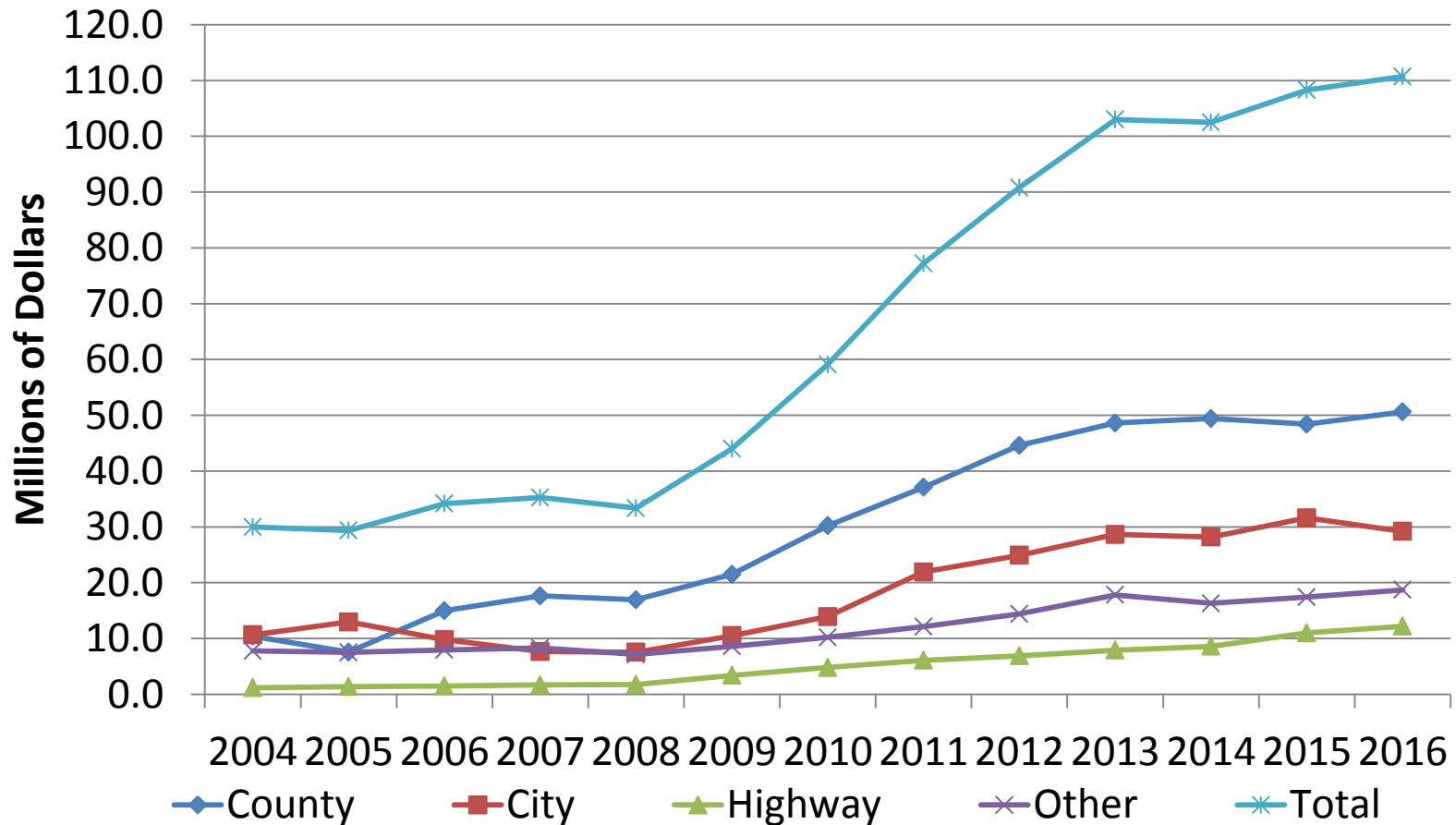
Distribution of Oil & Gas Revenue Through 10/31/2016

Recipient	Portion	FY 2014	FY 2015	FY 2016	FY 2017	To Date
Payette County	11.20%	\$ 71.51	\$ 274.87	\$ 7,902.61	\$ 17,520.26	\$ 25,769.25
Fruitland	11.20%	\$ 24.82	\$ 95.68	\$ 2,782.83	\$ 6,379.78	\$ 9,283.11
New Plymouth		\$ 7.90	\$ 30.32	\$ 866.20	\$ 1,884.96	\$ 2,789.38
Payette		\$ 38.80	\$ 148.87	\$ 4,253.57	\$ 9,255.52	\$ 13,696.77
Public Schools	11.20%	\$ 71.51	\$ 274.87	\$ 7,902.60	\$ 17,520.26	\$ 25,769.24
Local Economic Dev	6.40%	\$ 40.87	\$ 157.07	\$ 4,515.78	\$ 10,011.58	\$ 14,725.30
Oil & Gas Conservation	60%	\$ 383.12	\$ 1,472.54	\$42,335.42	\$ 93,858.57	\$138,049.65
Total		\$ 638.53	\$ 2,454.23	\$70,559.01	\$ 156,430.93	\$230,082.70

Other Local Tax Considerations

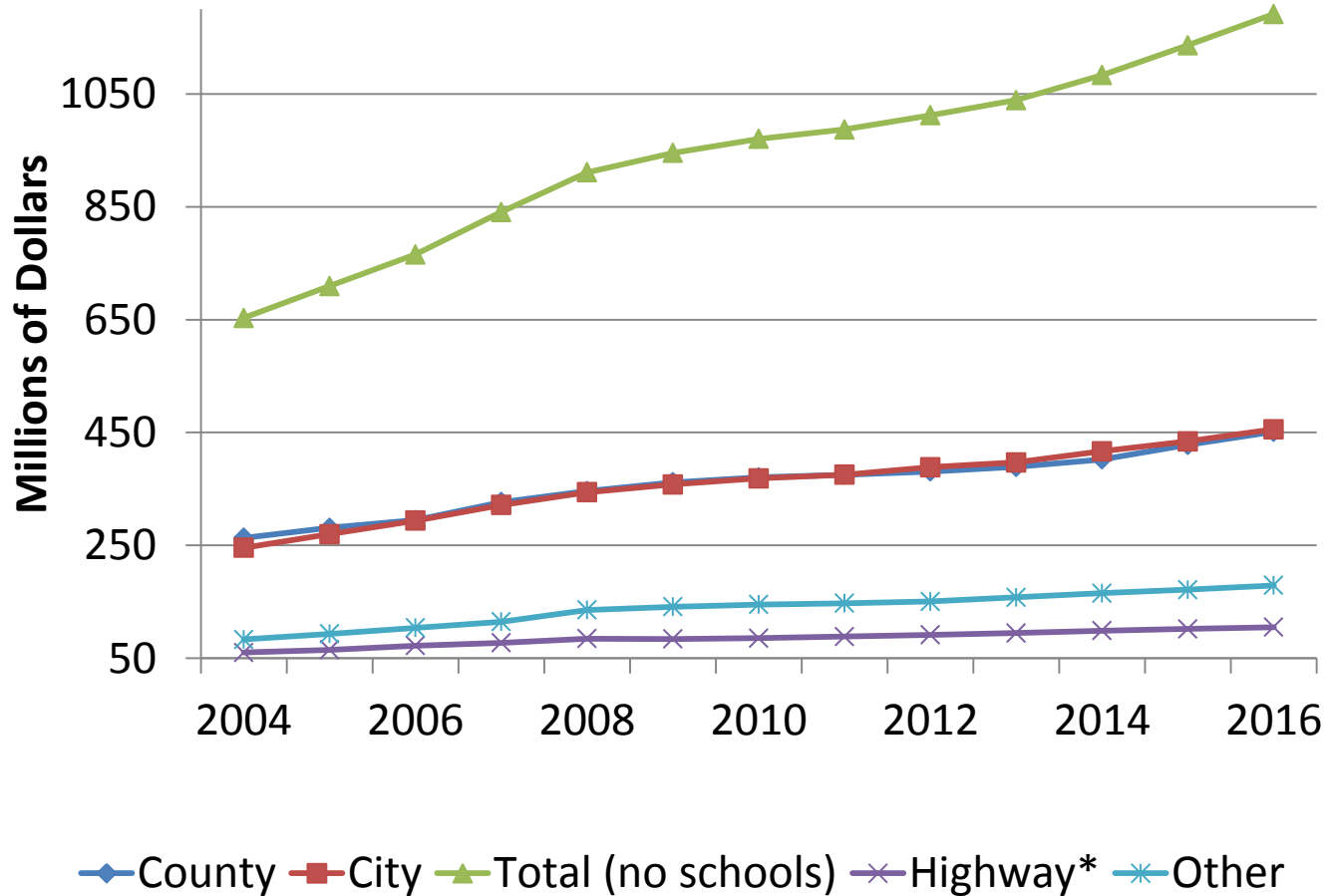
- Forgone Amounts

Forgone Amounts Generally Increasing



Property Tax Growth Relatively Uniform

(except for school funding switch to state in 2006)



Other Local Tax Considerations

- Forgone Amounts
- Supplemental Levies
- Local Option Taxes
- Exemptions, Exclusions, Credits, and Deductions
- Incentives

Principles of Sound Tax Policy

- Equitable
- Simple
- Predictable
- Stable
- Broad-based
- Transparent

Tax Policy Review

- From time to time examine tax structures to see if the principles of taxation are obvious.
- Will the tax adapt to changes in financial transactions, technology, or the economy over time?
- Political acceptability.