

## Idaho Property Tax Updates: If at First You Don't Succeed...

Legal Alert  
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*American Property Tax Counsel*

In December, we reported on a brand new Idaho Supreme Court decision holding that the J.R. Simplot Foundation's new JUMP facility in Downtown Boise was not entitled to a charitable exemption from property taxation while the property was still under construction. This left the parties with the knotty problem of how to determine the market value of a partially constructed special purpose – very special purpose -- facility. That issue was held in abeyance at the trial court level while the parties litigated the availability of the exemption. Now that the Supreme Court has ruled on the exemption question, the valuation issue is reactivated with a trial date in January 2019. Meanwhile, the Idaho Legislature has stepped in to make sure this type of situation does not recur. Projects under construction for a tax-exempt purpose can apply for a provisional exemption during construction. This statutory solution has a retroactive effective date of January 1, 2016. Surprisingly, the bill's fiscal statement says there will be no effect on either state or local taxes.

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