

**REVENUE:** May have revenue impact, statement not yet issued

**FISCAL:** May have fiscal impact, statement not yet issued

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**Action:** Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Revenue by prior reference

**Vote:** 9 - 0 - 0

**Yeas:** Clem, Dallum, Greenlick, Komp, Krummel, Lim, Roblan, Whisnant, Buckley

**Nays:** 0

**Exc.:** 0

**Prepared By:** Derrick Olsen, Administrator

**Meeting Dates:** 4/16, 4/24

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**WHAT THE MEASURE DOES:** Establishes principal residence property tax exemption from local option property taxes for dwelling units of senior citizens and persons with disabilities with a household income of \$32,000 or less, with an inflation index linked to the U.S. City Average Consumer Price Index. Applies to local option property taxes approved after January 1, 2008, and to tax years beginning on or after July 1, 2008.

**ISSUES DISCUSSED:**

- Difficulty for fixed income seniors and persons with disabilities in paying for additional property taxes
- Taxing property of different groups at different levels and equal protection clause
- Local option property taxes and bond levies
- Notification of potentially exempt individuals and avoidance of identity theft
- Definition of income and household income and value of residence

**EFFECT OF COMMITTEE AMENDMENT:** The amendment adds a definition of “local option property tax” that, in addition to local option ad valorem property taxes, also includes “a local option tax that permits a school district to issue bonds payable from that tax.”

**BACKGROUND:** HB 3295-A is designed to exempt the residence of senior citizens who are at least 62 years of age and persons with disabilities with a household income of \$32,000 or less (with an inflation index linked to the U.S. City Average Consumer Price Index) from raises in local option property taxes beginning after January 1, 2008. The senior citizen and spouse and persons with disabilities and spouse must file a form with the county assessor to request the exemption.