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July 24, 2018

The Bonneville Board of County Commissioners
605 N. Capital Ave.
Idaho Falls, ID 83402

Bonneville County Assessor Blake Mueller
605 N. Capital
Idaho Falls, ID 83402

Bonneville County Clerk Penny Manning
605 N. Capital
Idaho Falls, ID 83402

Bonneville County Prosecuting Attorney Daniel Clark
605 N. Capital
Idaho Falls, ID 83402

Dear Bonneville County Elected Officials,

The Idaho State Tax Commission received the 2018 Abstract of Value for your county recently, contained within that document were the values of each class of property. One category of value that is concerning is the value of Category 1 (irrigated agricultural land). Not only is the value of this category low in comparison to data provided to your county by our Consulting Appraiser, but also in comparison to neighboring counties. If the value of this land is not at market value for assessment purposes, a tax shift is being created for the property owners who are at market value. Also, when you are in a joint district with another county, and that county is closer to market value, the taxpayers of the neighboring county are paying an unfair share of the taxes.

Our staff currently has concluded that your Category 1 values have not been equalized to reflect market value for assessment purposes, as required by law. Based on our analysis and conclusion the State Tax Commission staff is recommending an increase in the assessed value of Category 1 of 100 percent. This increase will bring you closer to market value for assessment purposes more in line with data collected from other sources and with the neighboring counties, and avoid inappropriate tax shifting. This can be accommodated by the tax commission reconvening your county Board of Equalization and having you make the corrections, pursuant to 63-105A(7), Idaho Code. Upon making these corrections, corrected assessment notices would be required to be mailed for approximately 3,300 parcels and the property owners would have ten (10) working days to appeal your decision. (63-506, Idaho Code)

If the county commissioners do not choose the remedy mentioned above, a notice will be sent to the county commissioners that there will be a hearing at the tax commission offices, in Boise, at which time testimony can be provided regarding the valuation of this category of property. If tax commission staff's recommendations are adopted by the State Board of Equalization, individual appeals of valuation will not be possible. This hearing will be conducted by the tax commissioners sitting as the State Board of Equalization (63-109, Idaho Code). The hearing will be scheduled between August 13 and August 27, 2018.

If requested, we can meet with you in your county August 1st, 2nd or 3rd to discuss this issue. A decision from you must reach us by no later than these dates to assure the ability to address this timely.

Respectfully,

A handwritten signature in black ink, appearing to read "Steve Fiscus", written over a horizontal line.

Steve Fiscus, Administrator
Property Tax Division
Idaho State Tax Commission