



TAX POLICY BRIEF:

Step one to improve Idaho's property tax system: Freeze property tax budgets

Ever-increasing property taxes are forcing people from their homes and burdening too many families. At the Idaho Freedom Foundation, we routinely hear about annual property tax hikes of 30% to 40%. The Idahoans who share these stories fear for their future and worry daily about being tax-evicted from their homes.

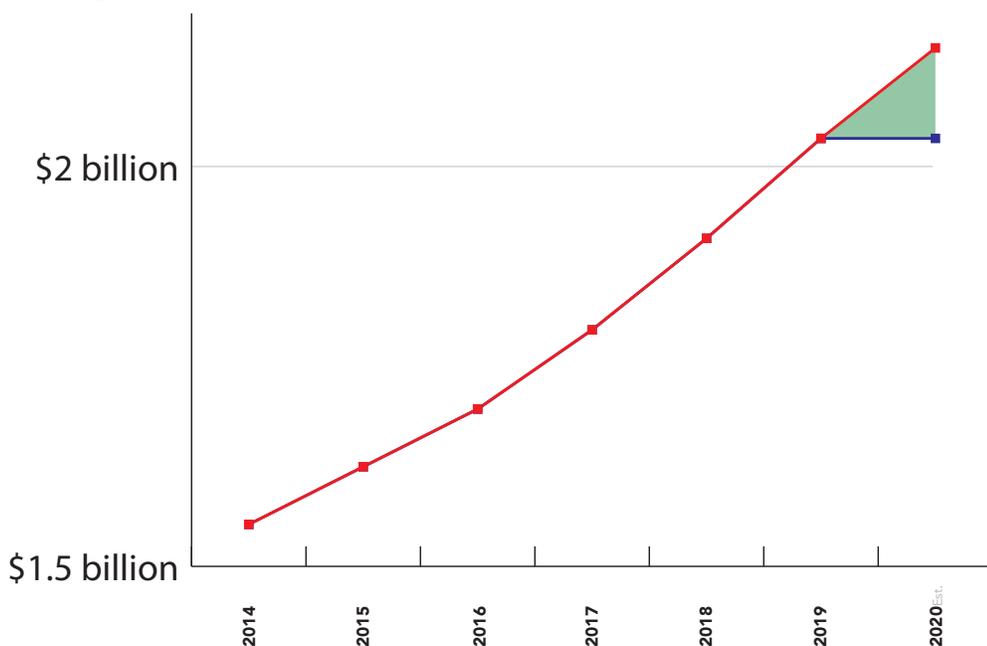
Idahoans need and deserve a solution that immediately addresses the problem. They don't need vague promises that the problem will be addressed — someday.

In the last five years, from 2014 to 2019, property taxes have gone up about \$500 million. If lawmakers fail to act, property taxes will increase by more \$600 million over the next five years. That is unaffordable, unfair, and immoral.

Let's stop this march toward misery by freezing property taxes levied for 2020. This common-sense solution would save Idahoans more than \$100 million just in 2020.

SLOW THE GROWTH:

How a freeze would affect property tax budgets



POTENTIAL
FREEZE
SAVINGS:

\$113 MILLION

- Property tax budgets without freeze
- Property tax budgets with freeze

See the year-by-year breakdown on the next page.

SLOW THE GROWTH:

A year-by-year breakdown of property tax budgets with and without reform.

All dollar figures in 000's, unless noted ¹	2014	2015	2016	2017	2018	2019	2020 est
Actual from 2014 to 2019, same growth to 2020 est	\$1,552,451	\$1,624,571	\$1,696,734	\$1,795,707	\$1,910,142	\$2,035,176	\$2,148,331
Actual from 2014 to 2019, property tax reform draft	\$1,552,451	\$1,624,571	\$1,696,734	\$1,795,707	\$1,910,142	\$2,035,176	\$2,035,176
						Savings	\$113,155

WHY IT MATTERS:

Idahoans are struggling to keep up with property taxes and many fear losing their homes.

Kari Wardle is a single mother and the primary caretaker for her terminally ill mother. Kari and her family are relative newcomers to Idaho; they moved to the Gem state three years ago when Kari accepted a new job. She became a proud homeowner two years ago.

Kari carefully calculated her mortgage payment budget before purchasing a house, so her family wouldn't exceed their means or have to sacrifice the extensive medical care her mother needs.

But, Kari described, as property taxes keep going up, her mortgage payment rises and she struggles to make payments. "My wages don't increase enough every year to offset these costs," Kari noted.

"With medical expenses and my child, even with working a full time job, we are barely getting by. If property taxes increase again next year, I honestly have no idea what we will do!"

NOTES

1. Idaho State Tax Commission data