

Idaho has been cautious in its adoption of local option transportation taxes. Due to the long distances between destinations in Idaho, roads were traditionally seen as a state rather than a local responsibility. As a result, most roads were funded through state and federal sources, with minimal locally generated revenue. However, as the Boise metropolitan area has grown, transportation infrastructure has become more complex and in greater demand, with accessibility to land becoming a more important consideration. With this change has come a rise in the use of property taxes to fund transportation investments.

1. Fuel and Vehicle Taxes

Upon voter approval, counties, cities and the Ada County Highway District may adopt vehicle registration fees up to twice the level set by the state for its fees.¹ Revenues must be used for the construction or maintenance of highways and bridges. These taxes have only been adopted in the Ada County Highway District, for a total of \$2.9 million (\$48 per district resident).²

2. Property Taxes and Assessments

Counties, cities, and highway districts may levy special *ad valorem* taxes on real property within their jurisdictions to generate revenue for construction and maintenance of bridges and highways. Tax rates may be as high as 2.84 mills, and may be approved by a county commission or the board of a highway district.³

As a means of financing road projects, Idaho created highway districts in the 1970s, starting with the Ada County Highway District, and gave them the authority to collect local road tax levies. In 1997, earmarked property taxes were imposed in 113 cities, 26 counties, and 51 highway districts across the state, collecting \$49 million in highway revenues (over \$40 per capita).⁴

3. Sales and Other Taxes

Local governments may adopt development impact fees, to help finance an existing capital expenditure plan. Road and bridge projects are among the allowable funding categories but many other types of public improvements are permitted as well.⁵ Ten cities (Coeur D'Alene, East Hope, Grangeville, Greenleaf, Hailey, Hayden, McCammon, New Plymouth, Richfield, and Shoshone) and one highway district (Ada County) have specifically adopted these taxes for transportation-related purposes, collectively raising \$6.8 million statewide.⁶

¹ Idaho Code § 40-827.

² Idaho Transportation Department, Detailed Local Highway Finance Report, (1997).

³ Idaho Code § 40-801.

⁴ Idaho Transportation Department, Detailed Local Highway Finance Report, (1997).

⁵ Idaho Code § 67-8204.

⁶ Idaho Transportation Department, Detailed Local Highway Finance Report, (1997).

IDAHO Overview of County, District, and Local Transportation Tax Laws

Tax Type	State Statute	Tax Name	Areas	Statute Year	Permitted Rates	Maximum Duration	Purposes	Adoption Process
Property	I.C. 40-801(1)(a)	Local Road Tax	Counties, Highway Districts and Cities	1985	0.2%	-	Construction and maintenance of highways/bridges	B or E
	I.C. 40-801(1)(b)	Local Road Tax	Counties, Highway Districts	1985	0.084%	-	Const/maint of highways/bridges (within a specific spending category)	B or E
	I.C. 50-312	Improvement of Streets - Special Levy	Cities		No Specified Limitation	-	Contstruct and Maintain Streets	B
Vehicle	I.C. 40-827	Vehicle Registration Fee	Counties	1988	Up to 2x the state rate (a flat, weight-based fee)	Must be specified	Construction and maintenance of highways/bridges	C
Other	I.C. 67-8204	Development Impact Fee	Counties, Cities, Highway Districts	1992	-	-	Capital improvements to public facilities, including roads and bridges*	B

*Projects must be specified in advance

A = State Law
 B = County/Local Law
 C = Popular Vote
 D = Majority of City Councils
 E = Vote of agency or district

IDAHO
Adopted County, District, and Local Transportation Taxes

Jurisdictions	Population (1997)	Local Road Levies (Prop. Tax)		Other Local Taxes - FY 1997		
		FY 1997 Revenues (\$1,000's)	Revs per capita	Vehicle Reg. Fee Revenues (\$1,000's)	Local Impact Fee Revenues (\$1000's)	Revs per capita (VRF+LIF)
ADA	267,283					
ADAMS	3,810					
BANNOCK	74,018	1,447.9	\$19.56			
BEAR LAKE	6,552	81.4	\$12.42			
BENEWAH	8,998	83.8	\$9.32			
BINGHAM	41,471	1,006.7	\$24.27			
BLAINE	17,163	161.6	\$9.41			
BOISE	5,038	287.9	\$57.15			
BONNER	34,736	2,420.3	\$69.68			
BONNEVILLE	80,044	2.0	\$0.02			
BOUNDARY	9,833	0.3	\$0.03			
BUTTE	1,087	0.3	\$0.32			
CAMAS	840	0.4	\$0.50			
CANYON	116,577					
CARIBOU	7,298	324.5	\$44.47			
CASSIA	21,450	16.5	\$0.77			
CLARK	10,811					
CLEARWATER	9,459					
CUSTER	4,238					
ELMORE	24,659					
FRANKLIN	532	214.7	\$403.56			
FREMONT	11,753	596.6	\$50.76			
GEM	14,461	38.8	\$2.68			
GOODING	13,570					
IDAHO	15,080	189.3	\$12.55			
JEFFERSON	18,795	61.1	\$3.25			
JEROME	17,550					
KOOTENAI	98,852					
LATAH	32,510					
LEMHI	8,067					
LEWIS	4,049					
LINCOLN	3,796					
MADISON	23,394	649.5	\$27.77			
MINIDOKA	20,536					
NEZ PERCE	36,844	1,574.7	\$42.74			
ONEIDA	3,995	27.0	\$6.76			
OWYHEE	10,120	160.5	\$15.86			
PAYETTE	20,191	288.8	\$14.30			
POWER	8,202					
SHOSHONE	13,948					
TETON	5,290	12.0	\$2.27			
TWIN FALLS	61,531					
VALLEY	8,080	8.7	\$1.08			
WASHINGTON	10,035	129.9	\$12.94			
Subtotal - Counties	1,206,546	9,785.2	\$8.11	0.0	0.0	\$0.00
Ammon	5,981					
Blackfoot	10,385	263.7	\$25.39			
Boise City	154,735					
Burley	9,450	59.0	\$6.24			
Caldwell	21,810	492.6	\$22.59			
Chubbuck	8,926	81.3	\$9.11			
Coeur d'Alene	31,983				200.3	
Eagle	6,950					
Emmett	5,330					
Garden City	9,015					
Hailey	5,509	190.8	\$34.63		54.0	
Hayden	8,369				54.5	
Idaho Falls	48,101					
Jerome	7,320	223.0	\$30.46			
Lewiston	30,405	1,838.3	\$60.46			
Meridian	23,151					
Moscow	19,578	198.3	\$10.13			
Mountain Home	9,817	77.5	\$7.89			
Nampa	39,685	488.1	\$12.30			
Payette	6,732	186.4	\$27.69			
Pocatello	52,130	711.6	\$13.65			
Post Falls	15,132	445.6	\$29.45			
Rexburg	14,192	136.9	\$9.64			
Rupert	5,572					
Sandpoint	7,416					
Twin Falls	32,723	179.3	\$5.48			
Weiser	5,297	142.8	\$26.97			
Subtotal - Cities > 5,000	595,694	5,715.2	\$9.59	0.0	308.8	\$0.52
Subtotal - Cities < 5,000	610,852	4,221.0	\$6.91	0.4	35.2	\$0.06
Ada County H.D.	267,283	12,942.7	\$48.42	2,873.0	6,311.9	\$34.36
Buhl H.D.		473.9				
Burley H.D.		934.1				
Canyon H.D.		1,065.9				
Central H.D.		125.7				
Eastside H.D.		406.9				
Filer H.D.		148.8				

Jurisdictions	Population (1997)	Local Road Levies (Prop. Tax)		Other Local Taxes - FY 1997		
		FY 1997 Revenues (\$1,000's)	Revs per capita	Vehicle Reg. Fee Revenues (\$1,000's)	Local Impact Fee Revenues (\$1000's)	Revs per capita (VRF+LIF)
Glenns Ferry H.D.		205.8				
Golden Gate H.D.		326.2				
Gooding H.D.		139.8				
Highway District #1		250.2				
Hillsdale H.D.		252.6				
Jerome H.D.		503.6				
Lakes H.D.		1,946.7				
Minidoka H.D.		598.0				
Mountain Home H.D.		317.3				
Nampa H.D.		1,191.4				
North Latah H.D.		820.7				
Notus Parma H.D.		377.2				
Oakley H.D.		150.4				
Post Falls H.D.		810.0			117.7	
Power Co H.D.		1,327.6				
Prairie H.D.		164.9				
Raft River H.D.		127.8				
Sandpoint Indep. H.D.		347.7				
South Latah H.D.		180.2				
Twin Falls H.D.		1,544.8				
Wendell H.D.		135.7				
Worley H.D.		722.0				
22 smaller highway dists.		805.3				
Subtotal - Highway Districts	1,206,546	29,344.0	\$24.32	2,873.0	6,429.5	\$7.71
STATEWIDE TOTAL	1,206,546	49,065.3	\$40.67	2,873.5	6,773.6	\$8.00