

# **Bond Case Briefs**

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## **TAX - IDAHO**

### **Hoffman v. City of Boise**

**Supreme Court of Idaho, Boise, January 2021 Term - March 23, 2021 - P.3d - 2021 WL 1093947**

Taxpayers brought action challenging city ordinances allocating tax increment financing (TIF) revenues for city urban renewal agency's use in urban renewal districts.

The Fourth Judicial District Court dismissed complaint, and taxpayer appealed.

The Supreme Court held that ordinances did not violate state constitution.

Provision of state constitution prohibiting political subdivisions from incurring debts for which they have not funds to pay, unless voters approve otherwise, is primarily designed to protect taxpayers and citizens of political subdivisions who would bear consequences of subdivision incurring excessive indebtedness.

City ordinances allocating tax increment financing (TIF) revenues for city urban renewal agency's use for urban renewal projects authorized by Idaho Local Economic Development Act (LEDA) did not violate state constitution provision prohibiting political subdivisions from incurring debts for which they lacked funds to pay, even if it was possible that expenditures might require city to raise taxes in future; ordinances did not entitle agency to any TIF revenues unless (1) combined property values for year were assessed within renewal districts, (2) levy rate for year was applied to that value, and (3) revenue collected by levy exceeded revenue that would have been collected by levy on base assessment value.