



## **2025 Idaho REALTORS® Legislative Session Review**

The First Regular Session of the 68<sup>th</sup> Idaho Legislature completed its work on April 4, 2025, taking 89 legislative working days – 6 days fewer than 2024.

Idaho REALTORS® (IR) was at the negotiating table for many policy discussions and played a critical role in the passage of several pieces of legislation during the 2025 Idaho Legislative Session including [HB354](#), authored by Idaho REALTORS® and Representative Dustin Manwaring (R-29), which will ensure all 44 Idaho counties administer the Homeowner’s Exemption in a uniform manner; [HB266aa,aaS](#) & [SB1164aa](#), which ensure a more efficient inspection / reinspection process and timely permit responses from local governments; [HB149](#), which is a consumer protection bill relating to “mortgage trigger leads” and correcting unintended consequences to property owners being solicited by these types of practices.

In addition, IR was proud to support legislation which will provide property tax and income tax relief to Idahoans in 2025 ([HB40](#), [HB304](#)) and helped establish and adopt an interim housing committee ([SCR103](#)) over the summer, keeping private property rights and housing issues at the forefront of the Idaho Legislature’s discussions moving into 2026.

### **Idaho REALTOR® Sponsored Legislation Signed Into Law:**

HB354 (Administration of HOE & Burden of Proof Trigger – Effective Jan 2026)

- Provides clarity for all 44 counties and the Idaho State Tax Commission on how to implement the Homeowner’s Exemption in a uniform manner across Idaho.
- Provides a new formula: The levy rate shall be multiplied against such value and divided by three hundred sixty-five (365) days, or by three hundred sixty-six (366) days if the tax year is a leap year, and then multiplied by the number of days such person is eligible for the exemption.
- The burden of proof shifts on appeal from the taxpayer to the county assessor if the increase in value exceeds ten percent (10%) of the value from the previous year, and the increase resulted in part from the assessor failing to use the required equalization methods



### **Idaho REALTOR® Sponsored Legislation NOT Signed Into Law:**

#### SB1162 (Short-Term Rentals) – Failed Senate Floor

- Aimed at providing clarity of existing STR law for both property owners and municipalities.
- Provided protection for property owners against local STR ordinance overreach.
- Provided regulatory avenues for municipalities related to licensing and health & safety assurances.
- There will be another Short-Term Rental bill in 2026.

### **Idaho REALTOR® Supported Legislation Signed Into Law:**

#### HB266aa,aaS (Inspection / Re-Inspections – Effective July 2025)

- Aimed at reducing administrative burdens and cost related to lengthy inspection timelines.
- Implements virtual re-inspections as a cost / time saver.
- Authorizes 3<sup>rd</sup> party inspections if a permit holder's request is not completed within a certain time frame.
- Authorizes refunds of fees to permit holders under certain conditions.

#### SB1164 (Completeness Review- Effective July 2025)

- Aimed at reducing time and cost in the building permit process.
- Requires local governments to publish building permit requirements.
- Requires local governments to render building permit submissions complete or incomplete within 10 business days for residential and 10 business days for commercial.



#### HB149 (Mortgage Trigger Leads – Effective July 2025)

- Aimed at enhancing consumer protection and privacy in certain mortgage application practices (Mortgage Trigger Leads).

#### HB40 & HB304 (Income & Property Tax Reduction – Effective July 2025)

- Reduces Idaho's flat income tax rate on individuals and corporations from 5.695% to 5.3%.
- Provides \$100 million in property tax savings.
- \$50 million through the School Facilities Fund.
- \$50 million through the Homeowner Property Tax Relief Account.

#### HB361 (Developer-Owned HOAs – Effective July 2025)

- This legislation allows homeowners of the development where they reside to have representation on the HOA board 180 days after 75% of the lots are conveyed to homeowners.

#### SCR103 (Interim Housing Committee – Max Pond will be a sitting member of this committee)

- SCR103 establishes a Legislative Interim Committee on housing which will complete a comprehensive review of local land use regulations and their impact on housing affordability and availability.
- This effort will include evaluating city comprehensive plans and zoning and ultimately seeking to identify opportunities to reduce regulatory building costs and waiting times, and provide greater flexibility in housing development.