

Idaho Property Tax Updates: Idaho's Evolving Definition of "Fixture"

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American Property Tax Counsel

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The definition of "fixtures" is continuing to evolve under Idaho law. This is important because up to \$100,000 of the value of personal property is exempt from property tax. In contrast, the value of a fixture is included in the taxable value of the real property to which it is affixed.

The legislature recently amended the definition of "fixture" by removing a clause the Tax Commission feared could be used to treat all fixtures as exempt personal property. The clause excluded from the definition of fixtures "machinery, equipment, and other articles affixed to real property to enable the proper utilization of such articles." Now some machinery and equipment formerly considered personal property may be considered fixtures. At the end of May, the Tax Commission approved deleting part of its corresponding rule, which had provided that items that satisfy all three factors of the common three-factor test are fixtures.

For more information, visit [APTC's Idaho Property Tax Updates' page](#).