

# Idaho Property Tax Updates: Supreme Court Rules against J.R. Simplot Foundation

Legal Alert  
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Two weeks after oral argument on December 6, the Idaho Supreme Court has denied the J.R. Simplot Foundation a property tax exemption for a charitable building during construction. As a completed public park, agricultural museum, and community center owned by a charitable foundation, it is now exempt. But during construction, it was not used exclusively for charitable purposes, according to the court. Tours and meetings at the property during construction did not qualify because they were minimal, provided no public benefit, and did not further the Foundation's specific charitable purposes. Also, the legislature acted in 1999 to address another court's refusal to exempt a hospital under construction. But the legislature limited construction-period relief to hospitals. The court felt it could not expand the legislative relief to other charitable buildings. This leaves the parties with the difficult task of estimating the market value of a partially constructed special purpose facility.

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