



Idaho Statutes

Idaho Statutes are updated to the website July 1 following the legislative session.

TITLE 63
REVENUE AND TAXATION
CHAPTER 6

EXEMPTIONS FROM TAXATION

63-602D. PROPERTY EXEMPT FROM TAXATION — CERTAIN HOSPITALS. (1) For the purposes of this section, "hospital" means a hospital as defined by chapter 13, title 39, Idaho Code, and includes nonprofit medical clinics as defined in section 39-1319, Idaho Code, and facilities designated by the centers for medicare and medicaid services of the federal department of health and human services as a critical access hospital or a rural emergency hospital.

(2) The following property is exempt from taxation: the real property owned by a nonprofit hospital, a county hospital, a critical access hospital, a rural emergency hospital, or a hospital district that is operated as a hospital and personal property, including medical equipment, owned or leased by a nonprofit hospital, a county hospital, or a hospital district that is located and used in a hospital.

(3) In order to receive a property tax exemption, a nonprofit hospital must :

(a) Provide documentation showing that it is organized as a nonprofit corporation pursuant to chapter 30, title 30, Idaho Code, or pursuant to equivalent laws in its state of incorporation;

(b) Provide documentation showing that it has received an exemption from taxation from the internal revenue service pursuant to section 501(c)(3) of the Internal Revenue Code;

(c) Provide a copy of its internal revenue service form 990 schedule H; and

(d) For hospitals that are not facilities designated by the centers for medicare and medicaid services of the federal department of health and human services as critical access hospitals:

(i) Provide a copy of its most recent community health needs assessment and its adopted implementation strategy to meet the community health needs identified in the assessment as required by section 26 U.S.C. 501(r);

(ii) Provide a copy of its written financial assistance policy and policy related to emergency medical care as required by section 26 U.S.C. 501(r);

(iii) Limit the amount charged for emergency or other medically necessary care provided to individuals eligible for assistance under its financial assistance policy pursuant to 26 U.S.C. 501(r);

(iv) Make reasonable efforts to determine whether an individual is eligible for its financial assistance policy before engaging in extraordinary collection actions pursuant to 26 U.S.C. 501(r); and

(v) Provide a general public benefit to the county in which it is located as measured by its annual community benefit report filed with the board of equalization.

(4) If a nonprofit hospital uses property for business purposes from which a revenue is derived that is not directly related to the nonprofit hospital's exempt purposes, then the property shall be assessed and taxed as any other property. If property is used in part by a nonprofit hospital for such purposes, then the assessor shall determine the value of the entire property and the value of the part used that is not directly related to the nonprofit hospital's exempt purposes. If the value of the part that is not directly related to the nonprofit hospital's exempt purposes is determined to be three percent (3%) or less than the value of the entire property, then the property shall remain exempt. If the value of the part that is not directly related to the nonprofit hospital's exempt purposes is determined to be more than three percent (3%) of the value of the entire property, then the assessor shall assess the proportionate part of the property, including the value of the real estate used for such purposes.

(5) A nonprofit hospital issued an exemption from property taxation pursuant to this section and operating a hospital having one hundred fifty (150) or more patient beds shall prepare a community benefits report to be filed with the board of equalization by December 31 of each year. The report shall include audited information and shall itemize :

(a) The nonprofit hospital's amount of unreimbursed services for the prior year from patients who are financially unable to pay for the cost of the care they received, charity care, and underreimbursed care covered through government programs;

(b) Special services and programs the hospital provides below its actual cost;

(c) Donated time, funds, subsidies, and in-kind services;

(d) Additions to capital such as physical plant and equipment;

(e) The methodology used to determine how much the cost of care exceeds government reimbursements for those services; and

(f) The process the hospital has used to determine general community needs that coincide with the hospital's mission.

History:

[63-602D added 1996, ch. 98, sec. 7, p. 350; am. 1999, ch. 126, sec. 1, p. 366; am. 2006, ch. 319, sec. 1, p. 1016; am. 2017, ch. 58, sec. 32, p. 127; am. 2025, ch. 323, sec. 1, p. 1338.]

How current is this law?