

The Revenue Impact of Corporate Tax Incentives

The Governmental Accounting Standards Board (GASB) is the professional organization that establishes standards of accounting and financial reporting for state and local governments. In 2015, GASB added "[Statement No. 77 on Tax Abatement Disclosures](#)" to its Generally Accepted Accounting Principles (GAAP). GASB 77 requires most state and local governments (including school districts) to report tax abatement programs (if they have such a program/s) in their annual comprehensive financial reports (ACFRs), specifying the **amount of revenue reduced or foregone** as a result of these tax abatements programs. This new rule, GASB 77, allows the public to see how much money for public services is lost to tax breaks given to corporations. This fact sheet summarizes that foregone revenue for the five most populous cities, counties, and school districts (where available) and the state itself in Idaho.

Between fiscal Years 2017 and 2021, the State of Idaho and its five largest cities, counties, and school districts **lost over \$48 million** due to economic development tax breaks – enough to cover the average salary of another 913 teachers over five years. The tables below list **only** the five most populous cities, counties, school districts, and the state itself; however, among this group, only four of the 16 entities disclosed any revenue lost to tax breaks. The true statewide total is presumably much higher.

| Foregone Tax Revenue, Five Most Populous School Districts in Idaho | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|
| | 2017 | 2018 | 2019 | 2020 | 2021 |
| West Ada School District | No Disclosure | No Disclosure | No Disclosure | No Disclosure | No Disclosure |
| Boise Independent School District | No Disclosure | No Disclosure | No Disclosure | No Disclosure | No Disclosure |
| Nampa School District | No Disclosure | No Disclosure | No Disclosure | No Disclosure | No Disclosure |
| Bonneville School District | No Disclosure | No Disclosure | No Disclosure | No Disclosure | No Disclosure |
| Pocatello School District | No Disclosure | \$1,260,000 | \$619,000 | \$456,000 | \$435,000 |
| Annual Total | Unknown | \$1,260,000 | \$619,000 | \$456,000 | \$435,000 |
| Selected School Districts Five-Year Total: \$2,770,000 | | | | | |

Source: Annual Comprehensive Financial Reports for the reported jurisdictions

| Foregone Tax Revenue, Five Most Populous Cities, Counties and State of Idaho | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|
| | 2017 | 2018 | 2019 | 2020 | 2021 |
| City of Boise | No Disclosure | No Disclosure | No Disclosure | No Disclosure | No Disclosure |
| City of Meridian | No Disclosure | No Disclosure | No Disclosure | No Disclosure | No Disclosure |
| City of Nampa | No Disclosure | No Disclosure | No Disclosure | No Disclosure | No Disclosure |
| City of Idaho Falls | No Disclosure | No Disclosure | No Disclosure | No Disclosure | No Disclosure |
| City of Caldwell | No Disclosure | No Disclosure | \$20,827 | \$21,660 | \$18,261 |
| Ada County | No Disclosure | No Disclosure | No Disclosure | No Disclosure | No Disclosure |
| Canyon County | No Disclosure | No Disclosure | No Disclosure | No Disclosure | No Disclosure |
| Kootenai County | No Disclosure | No Disclosure | No Disclosure | No Disclosure | No Disclosure |
| Bonneville County | No Disclosure | No Disclosure | No Disclosure | No Disclosure | No Disclosure |
| Bannock County | \$370,633 | \$544,885 | \$1,048,245 | \$787,116 | \$668,527 |
| State of Idaho | \$12,614,491 | \$8,496,204 | \$6,095,791 | \$7,949,697 | \$6,663,548 |
| Annual Total | \$12,985,124 | \$9,041,089 | \$7,164,863 | \$8,758,473 | \$7,350,336 |
| Selected Cities, Counties, and State Five-Year Total: \$45,229,885 | | | | | |
| Selected School Districts, Cities, Counties, and State 5-Year Total Forgone Revenue: \$48,069,885 | | | | | |

Source: Annual Comprehensive Financial Reports for the reported jurisdictions

Idaho has very poor transparency around state subsidies. In a Good Jobs First 51-state “[report card](#)” study on state disclosure of company-specific incentive awards published in 2022, Idaho ranked seventh lowest, with a score of 5.6 out of 100. The state includes some tax abatements under GASB 77 but fails to disclose information (including costs) for its Data Center Sales Tax Exemption, Idaho Opportunity Fund, Business Advantage Program, or 3 Percent Investment Tax Credit program.

Key findings:

- From 2017 through 2021: **The Pocatello-Chubbuck School District** lost \$2.8 million, all of which were passive losses — i.e., taxes abated by other jurisdictions.
- Revenue losses for **Bannock County increased by 80%**, including tax breaks for Amy’s Kitchen, Western States (heavy equipment company), ON Semiconductors (now Onsemi), and Great Western Malting.

Again: these findings are only from four of 16 sampled of Idaho cities, counties, and school districts. The state has a total of 265 municipalities, 44 counties, and 116 school districts.

For more information about these abatements, see taxbreaktracker.goodjobsfirst.org.

For company-specific information, see subsidytracker.goodjobsfirst.org.