

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of

████████████████████,

Petitioner.

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DOCKET NO. 0-922-724-352

DECISION

This case arises from your protest of the Intent to Deny Property Tax Reduction Benefit letter issued by the Property Tax Division (Property Tax) of the Idaho State Tax Commission (Tax Commission). The Tax Commission reviewed the information in the file, and this is our final decision. We uphold the Intent to Deny Property Tax Reduction Benefit letter. This means you will not receive a benefit for 2020.

Background

All property within the jurisdiction of this state is subject to property tax. A property tax reduction benefit is available to certain qualifying individuals. The benefit is in the form of a payment of all or a portion of the applicant's property tax on the dwelling he/she owns and occupies. State sales tax funds these payments.

████████████████████ (Petitioner) filed an Application for Property Tax Benefit for Veterans with 100% service-connected disability on May 18, 2020¹. Included with the application was a copy of a warranty deed, showing Petitioner's ownership of the parcel for which relief is sought, began on April 24, 2020. Because Petitioner did not own and occupy the property prior to April 15, 2020, the staff sent him a letter advising him of the intent to deny him the property tax reduction

¹ The 2020 property tax reduction benefit application deadline was extended to June 15, 2020, due to Covid-19.

benefit. Petitioner protested the intended action and his file was transferred to the Appeals unit for administrative review.

The Tax Commission sent Petitioner a letter on November 9, 2020, outlining his options for redetermination of the Intent to Deny Benefits letter. Petitioner responded but did not request an informal hearing. Instead Petitioner requested a decision be issued based on the information presented with his protest.

Law and Analysis

The property tax reduction benefit is described in Idaho Code § 63-701, in pertinent part,

63-701. Definitions. As used in this chapter:

(1) "Claimant" means a person who has filed an application under section 63-602G, Idaho Code, and has filed a claim under the provisions of sections 63-701 through 63-710, Idaho Code. Except as provided in section 63-702(2), Idaho Code, on January 1, or before April 15, of the year in which the claimant first filed a claim on the homestead in question, a claimant must be an owner of the homestead and on January 1 of said year a claimant must be:

...

(2) "Homestead" means the dwelling, owner-occupied by the claimant as described in this chapter and used as the primary dwelling place of the claimant and may be occupied by any members of the household as their home, and so much of the land surrounding it, not exceeding one (1) acre, as is reasonably necessary for the use of the dwelling as a home.

(7) "Owner" means a person holding title in fee simple or holding a certificate of motor vehicle title (either of which may be subject to mortgage, deed of trust or other lien) or who has retained or been granted a life estate or who is a person entitled to file a claim under section 63-702, Idaho Code. "Owner" shall also include any person who:

(a) Is the beneficiary of a revocable or irrevocable trust which is the owner of such homestead and under which the claimant or the claimant's spouse has the primary right of occupancy of the homestead.

Idaho Code § 63-701 requires the subject property to be owner-occupied and used as the primary dwelling place of the claimant for the property tax reduction benefit. To qualify as a claimant for property tax reduction purposes, the applicant must be the owner of the homestead on

January 1, or before April 15, of the year in which the claim was filed. In the present case, the record shows Petitioner did not own the subject property on January 1, 2020, or before April 15, 2020.

Petitioner argues, “As a combat rated veteran during my Marine Corps and Air Force career and the fact that my disability rating is a 100% and does not change based on my residency, it is my feeling that the decision needs to be reconsidered based on the fact that the benefit should be attached to me, the individual not the property.”

Conclusion

There is no question Petitioner meets the status requirement for a Veterans Property tax reduction benefit, he is a veteran with a 100% service-connected disability. However, for a claimant to qualify as owner of a property, the claimant must own and occupy the residence on January 1, 2020, or by April 15, 2020. Petitioner in this case did not own and occupy the parcel in question as of April 15, 2020. He does not qualify as owner and is therefore, denied the benefit for 2020.

The Intent to Deny letter dated September 23, 2020, is hereby APPROVED, and MADE FINAL.

An explanation of Petitioner’s right to appeal this decision is enclosed.

DATED this _____ day of _____ 2020.

IDAHO STATE TAX COMMISSION

CERTIFICATE OF SERVICE

I hereby certify that on this _____ day of _____, 2020,
a copy of the within and foregoing DECISION was served by sending the same by United States
mail, postage prepaid, in an envelope addressed to:



Receipt No.

