

**BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO**

In the Matter of the Protest of	)	
	)	DOCKET NO. 19636
[REDACTED],	)	
	)	DECISION
Petitioner.	)	
_____	)	

This case arises from a timely protest of a State Tax Commission staff's decision adjusting property tax reduction benefits for 2006. This matter was submitted for a decision based on the documents in the file. The State Tax Commission has reviewed the file and makes its decision based on the contents of the file.

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 payment of all or a portion of the applicant's property tax on the dwelling he/she owns and occupies. The payment is funded by state sales tax. The amount of property tax reduction depends on income--the greater the income, the smaller the benefit.

[Redacted] (petitioner) filed an application for a property tax reduction benefit [Redacted] on or about January 26, 2006. In her application, the petitioner listed no income information and \$500 of medical expenses. She showed she had filed an extension of the time to file her individual income tax return.

The staff sent the petitioner a notice advising her of the intent to deny her benefit. She was asked to provide a copy of her husband's death certificate to establish herself as a widow for

qualifying as a claimant. Additionally, the petitioner was asked to provide the missing income information.

The petitioner appealed the intended action, and her file was transferred to the Legal/Tax Policy Division for administrative review.

Income for the purpose of the property tax reduction benefit is defined in Idaho Code § 63-701 as income received in the calendar year immediately preceding the year in which a claim is filed. The calculation of income starts with federal adjusted gross income and, thereafter, makes certain additions and deductions.

In response to a letter advising the petitioner of her appeal rights, the petitioner submitted a copy of her 2005 federal income tax return and a copy of her deceased husband's death certificate. The certificate established the petitioner's right to apply for the benefit.

The petitioner's 2005 income tax return claimed federal adjusted gross income of \$8,797. When the \$500 of medical expenses is subtracted from that income, the resulting net income for property tax reduction benefit purposes is \$8,297. The petitioner qualifies to receive the maximum property tax reduction benefit of an amount not to exceed **\$1,320**.

WHEREFORE, the Intent to Deny Benefits letter dated August 28, 2006, is hereby CANCELLED.

An explanation of the taxpayer's right to appeal this decision is included with this decision.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2006.

IDAHO STATE TAX COMMISSION

\_\_\_\_\_  
COMMISSIONER

**CERTIFICATE OF SERVICE**

I hereby certify that on this \_\_ day of \_\_\_\_\_, 2006, 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:

[REDACTED]  
[REDACTED]  
[REDACTED]

Receipt No.

\_\_\_\_\_