

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

In the Matter of the Protest of	)	
	)	DOCKET NO. 19711
[REDACTED],	)	
	)	DECISION
Petitioner.	)	
_____	)	

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

[Redacted] (petitioner) filed an application for the property reduction benefit for the year 2006 on April 11, 2006. Pursuant to Idaho Code, the staff routinely audits the applications that have been submitted to the county where the petitioners live. The petitioner’s file was reviewed and compared with records retained by the Tax Commission.

In the petitioner’s application, the qualifying factor is shown as “recognized as disabled” by the Social Security Administration (SSA). The staff contacted SSA for verification of the disability. The record showed neither the petitioner nor the petitioner’s husband was recognized as disabled by SSA. However, the Veteran’s Administration recognizes the petitioner’s husband, [Redacted] as disabled.

The staff examined a Warranty Deed, [Redacted], and two Quitclaim Deeds, [Redacted], on file with [Redacted]. [Redacted] is shown as the “person holding title in fee simple” of the subject property in all three deeds.

When the staff discovered the [Redacted] records did not show [Redacted] as an owner on

Decision  
[Redacted]

the property, the staff sent the petitioner a letter advising her of the intention to deny her benefit. The petitioner filed a protest to that determination and her file was transferred to the Legal/Tax Policy Division for administrative review.

Idaho Code § 63-701 describes the conditions that must exist for an applicant to qualify to receive the property tax reduction benefit. The pertinent part of Idaho Code § 63-701 states:

**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:**

- (a) Not less than sixty-five (65) years old; or
- (b) A child under the age of eighteen (18) years who is fatherless or motherless or who has been abandoned by any surviving parent or parents; or
- (c) A widow or widower; or
- (d) A disabled person who is recognized as disabled by the social security administration pursuant to title 42 of the United States Code, or by the railroad retirement board pursuant to title 45 of the United States Code, or by the office of management and budget pursuant to title 5 of the United States Code; or
- (e) A disabled veteran of any war engaged in by the United States, whose disability is recognized as a service-connected disability of a degree of ten percent (10%) or more, or who has a pension for nonservice-connected disabilities, in accordance with laws and regulations administered by the United States department of veterans affairs; or
- (f) A person, as specified in 42 U.S.C. 1701, who was or is entitled to receive benefits because he is known to have been taken by a hostile force as a prisoner, hostage or otherwise; or
- (g) Blind.

(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. It may consist of a part of a multidwelling

or multipurpose building and part of the land upon which it is built. "Homestead" does not include personal property such as furniture, furnishings or appliances, but a manufactured home may be a homestead. (Emphasis added.)

...  
(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: (Emphasis added.)

The property tax reduction benefit program is a benefit for certain individuals based on their qualifications as outlined in Idaho law. One of the specific requirements for consideration to receive the benefit is to own a homestead on January 1 or before April 15 of the year in which the claim was filed. The owner of a property is then described in detail to clarify who will be considered owner for property tax reduction benefit purposes.

On January 1, 2006, and before April 15, 2006, the owner of the property, the petitioner, was not 65 or older, blind, a prisoner of war, a widow or widower, a fatherless or motherless child under the age of 18 and was not recognized as disabled by the Social Security Administration, the Railroad Retirement Board, or Federal Civil Service. In addition, the petitioner was not a disabled veteran, a prisoner taken by a hostile force, or a blind person.

In the petitioner's protest and subsequent letters, the petitioner contends that her husband should be considered an owner because he is married to her. She said there are reasons he is not shown in the deed. She points out that her husband has a service connected disability and is recognized as disabled by the Veterans' Administration.

[Redacted] records show the petitioner was deeded the property as sole owner by virtue of a Warranty Deed on July 29, 1999. On that same day, [Redacted] signed a Quitclaim Deed that gave

Decision  
[Redacted]

the petitioner full ownership in the property. On August 9, 2001, both the petitioner and her husband signed a second Quitclaim Deed assuring the petitioner as the sole owner.

The petitioner is the owner of the property. She does not qualify as a claimant. She must be denied the property tax reduction benefit for 2006.

The Tax Commission is aware there is some potential this decision could cause a hardship to the property tax reduction applicant in certain circumstances. The proper jurisdiction to handle such hardship situations falls with the county commissioners.

WHEREFORE, the Intent to Deny Property Tax Reduction Benefit letter dated October 2, 2006, is hereby APPROVED, AFFIRMED, and MADE FINAL.

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

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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.

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Decision  
[Redacted]