

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 22576
[Redacted],)	
)	
Petitioner.)	DECISION
_____)	

On December 8, 2009, the Revenue Operations division of the Idaho State Tax Commission (Tax Commission) issued a Notice of Deficiency Determination to [Redacted] (taxpayer) proposing additional tax in the amount of \$285.96 for taxable year 2008.

The taxpayer filed a timely appeal. He did not request a hearing. The Tax Commission, having reviewed the file, hereby issues its decision based upon the information contained in the file.

The sole issue for the decision is whether the taxpayer is entitled to a dependency exemption deduction for [Redacted], the taxpayer's daughter from a previous marriage.

Taxpayers may claim dependency exemption deductions for their dependents as defined in Internal Revenue Code (IRC) § 152. IRC § 152(a) defines the term "dependent" as a qualifying child or qualifying relative. A qualifying child is defined as an individual who (1) bears a certain relationship to the taxpayer, such as the taxpayer's child; (2) has the same principal place of abode as the taxpayer for more than one-half of the taxable year; (3) meets certain age requirements; and (4) has provided over one-half of the individual's own support for the taxable year. IRC § 152(c) (1)(3). A qualifying relative is defined as an individual (1) who bears a certain relationship to the taxpayer, such as the taxpayer's child or grandchild; (2) whose gross income for the taxable year is less than the exemption amount; (3) with respect to whom the taxpayer provides over one-half of the individual's support for the taxable year; and (4) who

is not a qualifying child of the taxpayer or of any other taxpayer for the taxable year. IRC § 152(d)(1) and (2).

To claim a dependent exemption under IRC § 152(a), the petitioners must show they have either a qualifying child or qualifying relative. Regarding a qualifying child, the taxpayer provided a signed document from a third-party stating that [Redacted] began living with the taxpayer in May 2008 and did not move out until March 2009. Information obtained from the third party substantiates the timeframe with the exception of a statement that [Redacted] alternated her place of abode every two weeks between the taxpayer's residence and her mother's during the months of June, July, and August. According to the third-party information, [Redacted] did not reside with the taxpayer exclusively until September 2008. When the alternating weeks during the summer months are taken into consideration, [Redacted] principal place of abode would not be with the taxpayer for more than one-half the taxable year and, therefore, would not meet the requirements of a qualifying child. As for meeting the requirements for a qualifying relative of the taxpayer, the taxpayer failed to provide any records establishing the total amount of support [Redacted] received in 2008 and the amount he provided. Nor did he show that [Redacted] was not the qualifying child of another taxpayer for the taxable year.

Because the taxpayer has failed to establish that [Redacted] was either a qualifying child or qualifying relative for the purpose of IRC § 152, the Tax Commission finds that the taxpayer is not entitled to a dependency exemption deduction for 2008. And since the taxpayer is not entitled to the dependency exemption, he cannot claim an additional grocery credit for [Redacted] per Idaho Code § 63-3024A.

WHEREFORE, the Notice of Deficiency Determination directed to [Redacted] dated December 8, 2009, is APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER, the taxpayer pays the following tax and interest:

<u>YEAR</u>	<u>TAX</u>	<u>INTEREST</u>	<u>TOTAL</u>
2008	\$277	\$19	\$296

Interest is calculated through August 16, 2010.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

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

DATED this _____ day of _____ 2010.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE

I hereby certify that on this _____ day of _____ 2010, 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]

Receipt No.
