

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

In the Matter of the Protest of	)	
	)	DOCKET NO. 24229
[REDACTED],	)	
	)	
Petitioner.	)	DECISION
_____	)	

On July 29, 2011, the Revenue Operations Division of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination to [Redacted] (taxpayer) proposing additional tax and interest in the total amount of \$615.19 for taxable year 2010.

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

The sole issue for this decision is whether the taxpayer is entitled to a dependency exemption deduction for her two children, [Redacted].

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 taxpayer must show they have either a qualifying child or qualifying relative. Regarding a qualifying child, the taxpayer did not show that either [Redacted] principal place of abode was with her for more than one-half the taxable year. When responding to a request for information, the taxpayer stated that the children lived with her for six months. However, a report issued by the Idaho Department of Health and Welfare on July 28, 2010, states that both children have been cared for by their father and lived in his home since June 15, 2010. As for meeting the requirements for a qualifying relative of the taxpayer, the taxpayer failed to show that she provided more than one-half of [Redacted] support for the taxable year or that they were not the qualifying children of any other taxpayer for the taxable year.

Because the taxpayer has failed to establish that [Redacted] are either a qualifying child or qualifying relative for the purpose of IRC § 152, the Commission finds that the taxpayer is not entitled to a dependency exemption deduction for taxable year 2010. And, since the taxpayer is not entitled to the dependency exemption, she cannot claim an additional grocery credit for [Redacted] per Idaho Code § 63-3024A.

THEREFORE, the Notice of Deficiency Determination dated July 29, 2011, and directed to [Redacted] is AFFIRMED.

The additional tax has been paid; therefore, no DEMAND for payment is required or necessary.

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

DATED this \_\_\_\_\_ day of \_\_\_\_\_ 2011.

IDAHO STATE TAX COMMISSION

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COMMISSIONER

**CERTIFICATE OF SERVICE**

I hereby certify that on this \_\_\_\_\_ day of \_\_\_\_\_ 2011, 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.