

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

In the Matter of the Protest of )  
[Redacted], ) DOCKET NO. 25990  
Petitioner. )  
DECISION  
\_\_\_\_\_ )

On August 28, 2013, the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NODD) to [Redacted] (taxpayer) denying the additional dependency exemption deduction and grocery credit claimed for taxable year 2012, and assessing additional tax and interest for taxable year 2012, in the total amount of \$1,150.49.

The taxpayer filed a timely appeal, but did not respond to a letter outlining his alternatives for redetermining a protested NODD, nor did he 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 his son, [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 he has either a qualifying child or qualifying relative. Regarding a qualifying child, the taxpayer did not show that [Redacted] principal place of abode was with him for more than one-half the taxable year. As for meeting the requirements for a qualifying relative of the taxpayer, the taxpayer failed to show that he provided more than one-half of [Redacted] support for the taxable year.

As a part of his appeal, the taxpayer stated that his son was legally his dependent until he turned 18 or graduated from high school, whichever was later. He also stated that he paid child support for six months of 2012, and supported his son financially for the remainder of the year. However, the taxpayer has not provided any documentation to support these claims.

The taxpayer has failed to establish that [Redacted] was a qualifying child or qualifying relative for the purpose of IRC § 152, therefore, the Commission finds that the taxpayer is not entitled to a dependency exemption deduction for taxable year 2012. And since the taxpayer is not entitled to the dependency exemption, he cannot claim an additional grocery credit per Idaho Code § 63-3024A.

Furthermore, the taxpayer reported his filing status as head of household. IRC § 2 states that an individual shall be considered a head of household if the individual maintains as his home a household which constitutes the principal place of abode for a son or daughter for more than one-half of the taxable year. The taxpayer does not meet the requirement for head of household

status. The Commission finds the taxpayer's filing status should be single and his standard deduction should be reduced from \$8,700 to \$5,950.

THEREFORE, the Notice of Deficiency Determination directed to [Redacted] dated August 28, 2013, is hereby MODIFIED, in accordance with the provisions of this decision and, as so MODIFIED, 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>
2012	\$1,582	\$50	\$1,632

Interest is calculated through April 1, 2014.

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 \_\_\_\_\_ 2014.

IDAHO STATE TAX COMMISSION

\_\_\_\_\_  
COMMISSIONER

**CERTIFICATE OF SERVICE**

I hereby certify that on this \_\_\_\_\_ day of \_\_\_\_\_ 2014, 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.  
  
\_\_\_\_\_