

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

In the Matter of the Protest of )  
[Redacted], ) DOCKET NO. 38937  
 )  
 )  
Petitioner. ) DECISION  
 )  
\_\_\_\_\_ )

On May 15, 2014, the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NODD) to [Redacted] (taxpayer) for taxable year 2013, denying the additional dependency exemption deduction and grocery credit claimed for her granddaughter, [Redacted].

The sole issue for this decision is whether the taxpayer is entitled to the dependency exemption deduction for [Redacted]. As part of her appeal, the taxpayer stated that she is the grandmother of [Redacted] and has the right to claim her as an exemption because [Redacted] father, [Redacted], is the custodial parent and he signed a federal Form 8332 granting her the exemption.

The taxpayer did not respond to a letter outlining her alternatives for redetermining a protested NODD nor did she request a hearing. The Commission, having reviewed the file, hereby issues its decision.

Taxpayers may claim dependency exemption deductions for their dependents as defined in Internal Revenue Code (IRC) § 152. Under IRC § 152(a), the term “dependent” means 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 not 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 stated that she is [Redacted] grandmother and that [Redacted] lived with her for eight months in 2013. The taxpayer has provided no additional information to substantiate that the child lived with her during 2013. As for meeting the requirements for a qualifying relative, the taxpayer failed to show that [Redacted] was not a qualifying child of any other taxpayer for the taxable year.

In the present case, the taxpayer provided a signed federal Form 8332 from her son, [Redacted]. Form 8332 is only valid between parents.

Therefore, the Commission finds that the taxpayer is not entitled to the dependency exemption deduction for [Redacted] for 2013. And, since the taxpayer is not entitled to the dependency exemption, the taxpayer cannot claim the additional grocery credit per Idaho Code section 63-3024A.

THEREFORE, the Notice of Deficiency Determination dated May 15, 2014, and directed to [Redacted], is APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED that the taxpayer pay the following tax and interest:

<u>YEAR</u>	<u>TAX</u>	<u>INTEREST</u>	<u>TOTAL</u>
2013	\$100	\$2	\$102

Interest is calculated through November 17, 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.  
  
\_\_\_\_\_