

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)
)
 REDACTED,) DOCKET NO. 1-413-107-712
)
)
 Petitioner.) DECISION
)
 _____)

On August 14, 2015, the Revenue Operations Division of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NODD) to Redacted (petitioner) proposing additional tax and interest in the total amount of \$298.55 for taxable year 2014.

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

The petitioner filed Redacted 2014 Idaho individual income tax return claiming a dependent exemption deduction Redacted As the filing of income tax returns continued, the petitioner's return was identified as one of two income tax returns that claimed a dependent exemption deduction for Redacted The Taxpayer Accounting Section (Taxpayer Accounting) sent the petitioner a letter requesting information to support the dependency exemption claim. The petitioner responded to Taxpayer Accounting's questionnaire stating that Redacted

Taxpayer Accounting reviewed the information and ultimately determined the petitioner was not entitled to the dependent exemption for Redacted Taxpayer Accounting sent the petitioner a letter showing the tax consequences of removing the dependency exemption. The petitioner protested the change in tax and Taxpayer Accounting issued a Notice of Deficiency Determination and transferred Redacted file for administrative review.

The petitioner was sent a letter that outlined the options available for redetermining a protested NODD. The petitioner did not respond and has provided nothing more to support Redacted claim of the dependency exemption other than the questionnaire.

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, (4) has not provided over one-half of the individual’s own support for the taxable year, and who has not filed a joint return (other than only for a claim of refund) with the individual’s spouse under section 6013 for the taxable year beginning in the calendar year in which the taxable year of the taxpayer begins. 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), taxpayers must show they have either a qualifying child or qualifying relative. The petitioner has provided nothing to show that Redacted meets the requirements of either definition of a dependent except Redacted response to the questionnaire. Because the petitioner has failed to establish that Redacted was either a qualifying child or qualifying relative for the purpose of IRC § 152, the Commission finds that the petitioner is not entitled to a dependency exemption deduction for taxable year 2014. And

since the petitioner is not entitled to the dependency exemption Redacted per Idaho Code § 63-3024A.

THEREFORE, the Notice of Deficiency Determination directed Redacted dated August 14, 2015, is APPROVED and MADE FINAL.

IT IS ORDERED that the petitioner pay the following amount of income tax and interest:

<u>YEAR</u>	<u>TAX</u>	<u>INTEREST</u>	<u>TOTAL</u>
2014	\$293	\$6	\$299

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

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

DATED this _____ day of _____ 2015.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE

I hereby certify that on this _____ day of _____ 2015, 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.
