



Income for purpose of the property tax reduction benefit purposes is defined in Idaho Code § 63-701(5)<sup>1</sup>. Idaho Code uses definitions to describe eligibility and income requirements for an applicant to qualify for the property tax reduction benefit. These definitions are not the same definitions used in other sections of the Idaho Code or even in the common dictionary. However, the definitions are very specific. The law must be followed as written. If the law is socially or economically unsound, the power to correct it is legislative, not within the powers of the Tax Commission. *John Hancock Mutual Life Insurance Co. V. Neill*, 79 Idaho 385, 405, 319 P.2d 195, 206 (1957).

The calculation of income for the property tax reduction benefit begins with federal adjusted gross income. If the claimant is not required to file a federal income tax return, the starting point for the income calculation is the equivalent of the federal adjusted gross income, had the claimant filed a federal return.

Petitioner filed an application with [Redacted] for a 2014 property tax reduction benefit. The Commission approved the application and Petitioner received a benefit for payment of the property tax on his homestead.

Idaho Code §§ 63-707 and 63-708 provide for an audit of all claims and recovery of benefits that have been paid in error. During the audit of Petitioner's application, and records available to the Commission, the staff identified income that had not been

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<sup>1</sup> (5) "Income" means the sum of federal adjusted gross income as defined in the Internal revenue Code, as defined in section 63-3004, Idaho Code, and to the extent not already included in federal adjusted gross income: (a) Alimony; (b) Support money; (c) Nontaxable strike benefits; (d) The nontaxable amount of any individual retirement account, pension or annuity, (including railroad retirement benefits, all payments received under the federal social security act except the social security death benefit as specified in this subsection, state unemployment insurance laws, and veterans disability pensions and compensation, excluding any return of principal paid by the recipient of any annuity and excluding rollovers as provided in section 402 or 403 of the Internal Revenue Code); (e) Nontaxable interest received from the federal government or any of its instrumentalities or a state government or any of its instrumentalities; (f) Worker's compensation; and (g) The gross amount of loss of earnings insurance.



CERTIFICATE OF SERVICE

I hereby certify that on this \_\_\_\_\_ day of \_\_\_\_\_ 2017,  
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.

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