

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 1-804-486-656
[Redacted] ,)	
)	
Petitioner.)	DECISION
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)	

This case arises from your timely protest of a State Tax Commission (Commission) determination to deny you a property tax reduction benefit for 2017. The Commission reviewed the information in the file and this is our final decision. The Commission upholds the Intent to Deny Property Tax Reduction Benefit letter. This means you will not receive a benefit for 2017.

Background

[Redacted] (Petitioner) filed a 2017 property tax reduction application with the [Redacted] Assessor’s office. The assessor’s office sent the application, together with other applications, to the Commission for review and processing. During their review of the application, the staff identified income from the sale of real estate that was not included in Petitioner’s application. Because the additional income increased Petitioner’s income beyond the maximum amount allowed to receive a benefit, the staff sent Petitioner a letter advising him of their intent to deny him the property tax reduction benefit. Petitioner protested the intended action and his file was transferred to the Appeals unit for administrative review.

Law and Analysis

Idaho Code § 63-701(5) defines income for property tax reduction benefit purposes. A complete copy is attached to the decision.

In the present case, Petitioner included only social security income of \$8,796 on his application. After reviewing information provided by Petitioner related to the property, the amount

of capital gains was determined to be \$25,900. When this amount is added to social security income of \$8,796, Petitioner's net income for property tax reduction purposes is \$34,696.

Petitioner's 2016 income for the purpose of the property tax reduction benefit exceeds the \$29,640 maximum income allowed for a minimum 2017 property tax reduction benefit. Petitioner must be denied the benefit.

The decision of the Commission to deny Petitioner a 2017 property tax reduction benefit is hereby APPROVED and MADE FINAL.

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

DATED this _____ day of _____ 2017.

IDAHO STATE TAX COMMISSION

COMMISSIONER

Section 63-701 – Idaho State Legislature

(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 an annuity and excluding rollovers as provided in 26 U.S.C. 402 or 403, and excluding the nontaxable portion of a Roth individual retirement account distribution, as provided in 26 U.S.C. 408A;
- (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.

It does not include gifts from nongovernmental sources or inheritances. To the extent not reimbursed, the cost of medical care as defined in section 213(d) of the Internal Revenue Code, incurred or paid by the claimant and, if married, the claimant’s spouse, may be deducted from income. To the extent not reimbursed, personal funeral expenses, including prepaid funeral expenses and premiums on funeral insurance, of the claimant and claimant’s spouse only, may be deducted from income up to an annual maximum of five thousand dollars (\$5,000) per claim. “Income” does not include veterans disability pensions received by a person described in subsection (1)(e) of this section who is a claimant or a claimant’s spouse if the disability pension is received pursuant to a service-connected disability of a degree of forty percent (40%) or more. “Income” does not include dependency and indemnity compensation or death benefits paid to a person described in subsection (1) of this section by the United States department of veterans affairs and arising from a service-connected death or disability. “Income” does not include lump sum death benefits made by the social security administration pursuant to 42 U.S.C. 402(i). Documentation of medical expenses may be required by the county assessor and state tax commission in such form as the county assessor or state tax commission shall determine. "Income" shall be that received in the calendar year immediately preceding the year in which a claim is filed. Where a claimant and/or the claimant’s spouse does not file a federal tax return, the claimant’s and/or the claimant’s spouse’s federal adjusted gross income, for purposes of this section, shall be an income equivalent to federal adjusted gross income had the claimant and/or the claimant’s spouse filed a federal tax return, as determined by the county assessor. The county assessor or state tax commission may require documentation of income in such form as each shall determine, including, but not limited to: copies of federal or state tax returns and any attachments thereto; and income reporting forms such as the W-2 and 1099.

For determining income for certain married individuals living apart, the provisions of sections 2(c) and 7703(b) of the Internal Revenue Code shall apply.

<https://legislature.idaho.gov/statutesr...> 11/3/2017 12:46:51 PM

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.
