

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 0-267-864-064
[Redacted] ,)	
)	
Petitioner.)	DECISION
)	

This case arises from your timely protest of the State Tax Commission’s (Commission) intent 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

All property within the jurisdiction of this state is subject to property tax. A property tax reduction benefit is available to certain qualifying individuals. The benefit is in the form of a payment of all or a portion of the applicant’s property tax on the dwelling he/she owns and occupies. State sales tax funds these payments. The amount of the property tax reduction depends on income--the greater the income, the smaller the benefit.

[Redacted] (Petitioner) filed a property tax reduction application on April 7, 2017. During review of the application, the staff noted ownership of the property was in the [Redacted] . However, the documentation with the application did not substantiate Petitioner as a beneficiary of the trust. Therefore, the staff sent Petitioner a letter advising her of the intent to deny her the property tax reduction benefit. Petitioner protested the intended action and her file was transferred to the Appeals unit for administrative review.

Law and Analysis

The property tax reduction benefit is described in Idaho Code § 63-701, in pertinent part:

63-701. Definitions. As used in this chapter:

(1) “Claimant” means a person who has filed an application under section 63-602G, Idaho Code, and has filed a claim under the provisions of sections 63-701 through 63-710, Idaho Code. Except as provided in section 63-702(2), Idaho Code, on January 1, or before April 15, of the year in which the claimant first filed a claim on the homestead in question, a claimant must be an owner of the homestead and on January 1 of said year a claimant must be:

(2) “Homestead” means the dwelling, owner-occupied by the claimant as described in this chapter and used as the primary dwelling place of the claimant and may be occupied by any members of the household as their home, and so much of the land surrounding it, not exceeding one (1) acre, as is reasonably necessary for the use of the dwelling as a home. . . .

(7) “Owner” means a person holding title in fee simple or holding a certificate of motor vehicle title (either of which may be subject to mortgage, deed of trust or other lien) or who has retained or been granted a life estate or who is a person entitled to file a claim under section 63-702, Idaho Code. “Owner” shall also include any person who:

(a) Is the beneficiary of a revocable or irrevocable trust which is the owner of such homestead and under which the claimant or the claimant’s spouse has the primary right of occupancy of the homestead.

Idaho Code § 63-701 requires the subject property to be owner-occupied and used as the primary dwelling place of the claimant for the property tax reduction benefit. To qualify as a claimant for circuit breaker purposes, the applicant must be the owner of the homestead on January 1 of the year in which the claim was filed. In the present case, the records show the owner of the subject property on January 1, 2017, was The [Redacted] .

For a claimant to qualify as owner of a property held in trust, the claimant must be named as beneficiary of that trust. Petitioner has failed to provide any documentation naming her a beneficiary of the trust. The Commission is unable to verify Petitioner meets the ownership eligibility requirement for a property tax reduction benefit.

THEREFORE, the Intent to Deny Property Tax Reduction Benefit letter dated October 2, 2017, is hereby APPROVED, and MADE FINAL.

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

DATED this _____ day of _____ 2018.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE

I hereby certify that on this _____ day of _____ 2018, 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.
