

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 0-009-970-688
,)	
)	
Petitioners.)	DECISION
_____)	

Taxpayer Accounting sent (Petitioners) a Notice of Refund Determination (Notice) for tax year 2022. Petitioners protested, disagreeing with the disallowance of the Idaho Child Tax Credit. The Tax Commission has reviewed the matter and hereby upholds the Notice.

BACKGROUND

Petitioners filed their 2022 Idaho individual income tax return and claimed \$205 on ID Form 40, line 25, for the “Idaho Child Tax Credit.” Taxpayer Accounting reviewed the return and discovered the child claimed on Petitioners’ return was over the age limit for the credit. A Notice was sent to Petitioners removing the credit and reducing their refund for 2022. Petitioners protested, providing a copy of their child’s birth certificate. Taxpayer Accounting acknowledged their protest and transferred the case to the Tax Commission’s Appeals Unit (Appeals).

Appeals reviewed the case and sent Petitioners correspondence attempting to explain the adjustment and their right to a hearing. Petitioners did not respond, so the Tax Commission must make its decision on the information and facts available.

LAW AND ANALYSIS

Idaho Code section 63-3029L states:

- (1) For taxable years beginning on or after January 1, 2018, and before January 1, 2026, there shall be allowed to a taxpayer a nonrefundable credit against the tax imposed by this chapter in the amount of two hundred five dollars (\$205) with respect to each qualifying child of the taxpayer. For purposes of this

section, the term "qualifying child" has the meaning as defined in section 24(c) of the Internal Revenue Code. In no event shall more than one (1) taxpayer be allowed this credit for the same qualifying child. This credit is available only to Idaho residents. Any part-year resident entitled to a credit under this section shall receive a proportional credit reflecting the part of the year in which the part-year resident was domiciled in Idaho.

“Qualifying Child” as defined in Internal Revenue Code section 24(c) means the qualifying child of the taxpayer who has not attained age 17. According to Petitioners’ tax return, their child would have turned 17 during 2022, disqualifying them from the credit.

CONCLUSION

Petitioners claimed their child as a dependent but did not meet the age requirements for the Idaho Child Tax Credit. The Tax Commission has reviewed the facts at hand and finds the adjustments to Petitioners’ 2022 tax return to be accurate and appropriate.

THEREFORE, the Notice of Refund Determination dated April 28, 2023, is hereby APPROVED and MADE FINAL.

No DEMAND for payment is required as this decision reduces Petitioners’ refund.

An explanation of Petitioners’ right to appeal this decision is enclosed.

DATED this _____ day of _____ 2024.

IDAHO STATE TAX COMMISSION

CERTIFICATE OF SERVICE

I hereby certify that on this _____ day of _____ 2024,
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:

Receipt No.
