

**BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO**

In the Matter of the Protest of	)	
	)	DOCKET NO. 0-388-645-888
	)	
Petitioner.	)	DECISION
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(Petitioner) protested the Intent to Deny Property Tax Reduction Benefit letter dated October 13, 2022. The Idaho State Tax Commission (Tax Commission) reviewed the file and issues its decision upholding the Intent to Deny Property Tax Reduction Benefit letter.

**BACKGROUND**

On April 4, 2022, Petitioner filed a 2022 application for a property tax reduction benefit with the Kootenai County Assessor’s office. The assessor’s office sent the application to the Property Tax Division (staff) of the Tax Commission for review and processing. During review of Petitioner’s application, staff noted the home Petitioner claimed on her application was determined not to be her primary residence. The staff sent Petitioner an Intent to Deny Benefit letter informing her of the denial. Petitioner protested, stating her homeowner’s exemption shouldn’t have been removed and the address listed on her application has been her primary residence for the past 40 years. The staff proceeded to transfer the case to the Tax Commission’s Appeals Unit (Appeals) for administrative review.

Appeals sent Petitioner a letter on December 21, 2022, outlining her options for redetermination of the Intent to Deny Benefit letter. Petitioner requested an informal hearing over the phone to discuss her case. During the hearing, Petitioner explained she lived an “off-grid lifestyle” and is not on any public utilities because she cannot afford them. She pumps water from the local lake, uses oil lamps for light, and uses propane for cooking and heat. Petitioner stated

someone needs to call her before doing an inspection because her dog might attack them. The hearing concluded with Petitioner reiterating she should not have had her homeowner's exemption removed and she should be entitled to the property tax reduction benefit.

### LAW AND ANALYSIS

The property tax reduction benefit is described in Idaho Code section 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. (Emphasis added.)

Idaho Code section 63-701 requires the subject property to be owner-occupied and used as the primary dwelling place of the claimant in order to qualify for the property tax reduction benefit.

Kootenai County Assessor removed Petitioner's homeowners' exemption effective December 31,

2021. The county made this decision for a variety of reasons:

- The residence is not connected to any utilities.
- Her driver's license has never stated the address in question.
- When appraiser visited the property, the property was abandoned and unlivable.
- Neighbors say no one lives there, but they have seen her come by to store items at the property.
- Grass is extremely long, shows sign of abandonment.

Under Idaho Code section 63-602G (4), providing for the homeowner's exemption, "The exemption allowed by this section must be taken before the reduction in taxes provided by sections

63-701 through 63-710, Idaho Code, is applied.” A property tax reduction benefit can’t be applied without a homeowner’s exemption in place.

**CONCLUSION**

Petitioner did not have a valid homeowner's exemption on the property claimed on her application. She does not meet the ownership requirement for a property tax reduction benefit.

Therefore, the Intent to Deny Benefit Letter dated October 13, 2022, is hereby APPROVED and MADE FINAL.

No payment is ordered for this case. An explanation of Petitioner’s right to appeal this decision is enclosed.

DATED this \_\_\_\_\_ day of \_\_\_\_\_ 2023.

IDAHO STATE TAX COMMISSION

**CERTIFICATE OF SERVICE**

I hereby certify that on this \_\_\_\_\_ day of \_\_\_\_\_ 2023,  
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.

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