

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

In the Matter of the Protest of	)	
	)	DOCKET NO. 0-988-267-520
	)	
	)	
Petitioner.	)	DECISION
_____	)	

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

**BACKGROUND**

Petitioner filed her 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 she was not claiming any children as dependents, so she did not qualify for the credit. A Notice was sent to Petitioner removing the credit and reducing her refund for 2022. Petitioner protested, stating she should be able to claim the tax credit because she is the custodial parent of her child according to her court order. Taxpayer Accounting acknowledged her protest and transferred the case to the Tax Commission’s Appeals Unit (Appeals).

Appeals reviewed the case and sent Petitioner correspondence attempting to explain the adjustment and her right to a hearing. Petitioner 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(2) states in regards to the Child Tax Credit:

“In the case of divorced parents or parents who do not live together, if the qualifying child is in the custody of one or both of the child’s parents for more than one-half

of a calendar year, such child is the qualifying child of the custodial parent for the taxable year beginning during such calendar year. However, the child may be the qualifying child of the noncustodial parent if either of the following requirements are met:

- (a) A court of competent jurisdiction has unconditionally awarded, in writing, to the noncustodial parent the tax benefits associated with the child pursuant to section 32-706, Idaho Code, and the noncustodial parent attaches a copy of the court order to the noncustodial parent's income tax return for the taxable year.

According to Petitioner's court order under "Tax Exemptions," the child's father is awarded to claim the child as a dependent for tax and federal income tax purposes each and every year. Petitioner was not awarded to claim the child as a dependent, so even though she is the custodial parent, she cannot claim the Child Tax Credit.

### **CONCLUSION**

Petitioner is the custodial parent of her child but was not awarded the right to claim them as a dependent per the court order provided to the Tax Commission. The Tax Commission has reviewed the facts at hand and finds the adjustment to her 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 Petitioner's refund.

An explanation of Petitioner's 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.

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