

Check Your Withholding!



- Recent tax laws have changed the calculation for income taxes withheld from your paycheck. Make sure you're not withholding too little or too much.
- Check your withholding today at tax.idaho.gov/w4

Where's My Refund?

Track Your Refund Progress 24/7

Visit tax.idaho.gov/refund to get the most up-to-date information about your income tax refund. Our online service is the easiest and fastest way to track your refund.



Typical Refund Timeframes

- **E-filed?** Expect your refund about seven to eight weeks after you receive an acknowledgment that we have your tax return.
- **Filed on paper?** Expect your refund about 10 to 11 weeks after we receive your return. We must manually enter information from paper returns into our database.

Refund Exceptions

- **First time you filed an Idaho income tax return?** It takes about three weeks to enter your account into our system. Until that time, we'll report your return as "not entered in system." Add those three weeks to the estimates above to determine your refund timeframe.
- **Received a letter from us asking for more information?** Your refund will be delayed until we get the requested information. It then will take about six weeks to finish the process.

Rapid Response = Faster Refund

All income tax returns go through fraud detection reviews and accuracy checks before we issue any refunds. After you file your return, the Tax Commission might send you letters asking you to:



- Verify your identity
- Verify that you filed a return
- Provide more information

Pay Online Quickly and Easily

Use our fast and easy Quick Pay option to make online payments at tax.idaho.gov/quickpay.



Get Idaho Forms

- Get forms online at tax.idaho.gov/IITforms.
- Pick them up at one of our offices. Find locations at tax.idaho.gov/visit.
- Call us at (208) 334-7660 in the Boise area or toll free at (800) 972-7660.

What's New for 2023

Conformity to Internal Revenue Code (IRC)

Idaho conforms to the IRC as of January 1, 2023. Idaho doesn't conform to bonus depreciation for assets acquired after 2009.

Tax Rate Reduction

Effective January 1, 2023, the individual income tax rate is 5.8%.

Grocery Credit Increased

The grocery tax credit for eligible Idaho residents increased from \$100 to \$120 starting in tax year 2023. The credit for Idahoans who are 65 and older increased from \$120 to \$140.

Dependent Care Tax Deduction Increased

The maximum individual tax deduction for dependent care is now \$12,000 per year.

Who Must File

- Every Idaho resident who must file a federal income tax return
- Every part-year resident with a total of more than \$2,500 gross income from:
 - All sources while a resident, and
 - Idaho sources while a nonresident
- Every nonresident with more than \$2,500 gross income from Idaho sources

To file an Idaho return, first complete your federal return. You need the federal return information to complete your Idaho return.

Your **Idaho filing status** must be the same as your federal filing status. For example, if you file a joint federal return you also must file a joint Idaho

return. The tax year and accounting method used on your Idaho return must match those used on your federal return.

If a taxpayer dies before filing a current year return, the taxpayer's spouse or personal representative must file the return. A personal representative can be an executor, administrator, or anyone who's in charge of the deceased taxpayer's property.

Gross income means all income you received in the form of money, property, goods, and services that aren't exempt from tax. It's measured before subtracting allowable deductions. Gross income includes, but isn't limited to:

- Income from wages, salaries, tips, interest, and dividends that isn't exempt from tax
- Self-employment income before expenses
- Farm income before expenses
- Rental income before expenses
- The shareholders' or partners' share of gross income from S corporations and partnerships
- Unemployment compensation
- Certain scholarship and fellowship grants
- Gains from sales of property
- Pensions and annuities
- Taxable Social Security benefits

Scholarships used for tuition, fees, supplies, books, and equipment required for courses leading to a degree aren't included in gross income.

Unearned income includes:

- Taxable interest
- Ordinary dividends

Idaho Resident Filing Requirements

If your filing status is:	And you are:	And your gross income is:
Married filing jointly	Under 65 (both spouses)	\$27,700
	65 or older (one spouse)	\$29,200
	65 or older (both spouses)	\$30,700
Head of household	Under 65	\$20,800
	65 or older	\$22,650
Single	Under 65	\$13,850
	65 or older	\$15,700
Qualifying surviving spouse with dependent child	Under 65	\$27,700
	65 or older	\$29,200
Married filing separately	Any age	\$5

If you're a resident and are filing a federal income tax return only to pay self-employment tax and aren't otherwise required to file a federal income tax return, you aren't required to file an Idaho income tax return.

If your parent or someone else can claim you as a dependent, use the following information to see if you must file a return.

You must file a return if any of the following apply:

		Unearned income	Earned income	Gross income
Single Dependents	Under 65 and not blind	Over \$1,250	Over \$13,850	More than the larger of \$1,250 or your earned income plus \$400
	Over 65 or blind	Over \$3,100	Over \$15,700	More than the larger of \$3,100 or your earned income plus \$2,250
	Over 65 and blind	Over \$4,950	Over \$17,550	More than the larger of \$4,950 or your earned income plus \$4,100
Married Dependents	Under 65 and not blind	Over \$1,250	Over \$13,850	At least \$5 and your spouse files a separate return and itemizes
				More than the larger of \$1,250 or your earned income plus \$400
	Over 65 or blind	Over \$2,750	Over \$15,350	At least \$5 and your spouse files a separate return and itemizes
				More than the larger of \$2,750 or your earned income plus \$1,900
	Over 65 and blind	Over \$4,250	Over \$16,850	At least \$5 and your spouse files a separate return and itemizes
				More than the larger of \$4,250 or your earned income plus \$3,400

- Capital gains distributions
- Unemployment compensation
- Taxable Social Security benefits, pensions, and annuities
- Distributions of unearned income from a trust

Earned income includes:

- Salaries
- Wages
- Tips
- Professional fees
- Taxable scholarships and fellowship grants

Gross income is the total of your unearned and earned income.

- Nonresident alien for federal purposes and are required to file an Idaho income tax return
- Use Form 39NR if you file Form 43 and claim any additions, subtractions, or certain credits.

When to File and Pay

File your return and pay any tax due:

- By April 15, 2024, for the 2023 calendar year, or
- By the 15th day of the fourth month following the close of the fiscal year if you file on a fiscal year basis

Idaho doesn't require estimated tax payments.

You can prepay at any time at tax.idaho.gov/epay or by mailing your payment with Form 51.

Which Form to Use

Use Form 40 if you're a:

- Resident, or
- Resident in the military

Use Form 39R if you file Form 40 and claim any additions, subtractions, or certain credits.

Use Form 43 if you're a:

- Part-year resident
- Nonresident, or

Where to File

Mail the return and payment to:

Idaho State Tax Commission
 PO Box 83784
 Boise ID 83707-3784

If you're mailing a payment without a return, send your payment with Form ID-VP to:

Idaho State Tax Commission
 PO Box 83784
 Boise ID 83707-3784

If you're mailing a return only, send to:
 Idaho State Tax Commission
 PO Box 56
 Boise ID 83756-0056

If you're sending your return using a delivery service that requires a physical address, use the following:
 Idaho State Tax Commission
 11321 W Chinden Blvd Bldg 2
 Boise ID 83714

What to Include and What to Keep

Include

Include all schedules and other forms in the following order:

1. Form 40 or 43
2. Form 39R or 39NR
3. Form 75
4. Form 44
5. Additional schedules in numerical order
6. Additional forms in alphabetical order
7. Form ID K-1
8. W-2s and/or 1099s placed on top of Form 40 or 43
9. Complete copy of federal return

Include legible copies of Form W-2s, 1099s, and other information forms that show Idaho withholding with your return. If you're claiming credit for taxes paid to another state, you must include Idaho Form 39R or 39NR and a copy of the other state's income tax return. If the credit applies to more than one state, use a separate Form 39R or 39NR for each state.

Keep

Keep copies of any receipts, tax forms, worksheets, and other records to support any income, deduction, exemption, and credit you've reported.

Rounding

Round the amounts on your return to the nearest whole dollar. Round down if under 50 cents, round up if 50 cents or more.

Extension of Time to File

This isn't an extension of time to pay your taxes—it's an extension to file your return.

You automatically get an extension of up to six months to file your return if you've paid at least:

- 100% of what you paid for state income taxes the year before, or

- 80% of your current year's tax liability

You can avoid a penalty for late filing, but will be charged interest on the remaining tax until it's paid. Complete the worksheet on Form 51 to see if you meet the extension requirements.

To avoid a penalty, pay online at tax.idaho.gov/epay or mail your payment with Form 51 by April 15, 2024.

If you qualify for an extension to file your Idaho return, send the return and pay in full by October 15, 2024.

Penalties

Idaho law provides penalties for not filing tax returns by the due date, not paying tax due on time, and not prepaying enough on extension returns. For more information or to calculate a penalty, see our *Penalties and Interest* page at tax.idaho.gov/penalties.

Interest

We charge interest on the amount of tax due from the original due date of the return until paid at the rate of 6% per year (rate effective for 2024).

Residency

Are you a resident, a part-year resident, or a nonresident?

The following will help you decide:

- You're an Idaho resident, even though you live outside of Idaho if all of the following are true:
 - You think of Idaho as your permanent home
 - Idaho is the center of your financial, social, and family life
 - Idaho is the place you intend to return to when you're away
- You're also an Idaho resident if the following are true:
 - You maintain a home in Idaho the entire year, and
 - You spend more than 270 days in Idaho during the tax year
- You're a part-year resident if you moved into or out of Idaho during the tax year. You're still a resident if:
 - You temporarily moved outside of Idaho, or
 - You moved back to Idaho after a temporary absence

- You're a nonresident if your permanent home is outside of Idaho all year.
- You're considered a nonresident if all of the following are true:
 - You're an Idaho resident who lived outside of Idaho for at least 445 days in a 15-month period
 - After satisfying the 15-month period, you spent less than 60 days in Idaho during the year
 - You didn't have a personal residence in Idaho for yourself or your family during any part of 2023
 - You didn't claim Idaho as your federal tax home
 - You weren't employed on the staff of a U.S. senator or representative
 - You didn't hold an elective or appointive office of the U.S. government other than the armed forces or a career appointment in the U.S. Foreign Service

Note: The above exception to being an Idaho resident doesn't apply to a qualified servicemember.

Community Property

Idaho is a community property state. Idaho's community property laws generally treat property and income acquired during marriage differently than other property. For more information visit tax.idaho.gov/commprop.

Military Personnel

Idaho law generally follows federal law regarding which type of military pay (active duty, disability, reserve, or retirement) is taxable.

Qualified Servicemember

A qualified servicemember is:

- Any member of the U.S. military
- A member of the National Guard called to active duty service by the President of the United States or the U.S. Secretary of Defense for more than 30 consecutive days to respond to a national emergency declared by the President and supported by federal funds
- A member of the commissioned corps of the National Oceanic and Atmospheric Administration in active service
- A member of the commissioned corps of the Public Health Service in active service

Military Home of Record

The qualified servicemember's residence is considered to be the same as the servicemember's home of record.

Federal Military Spouses Residency Relief Act

The earned income of qualifying spouses of Idaho servicemembers isn't subject to Idaho income tax because of the federal Military Spouses Residency Relief Act.

As a servicemember's spouse, you qualify for this exemption if:

- You're married to a servicemember who's serving in Idaho and the servicemember registered their home of record in another state, and
- You've moved to Idaho with the servicemember and have the same domicile (permanent residence) as the servicemember's home of record

If you qualified for the Idaho income tax military spouse exemption, report any Idaho withholding on Form 43, line 66.

Idaho Residents on Active Duty — Stationed in Idaho

If Idaho is your military home of record and you're on active duty stationed in Idaho, Idaho taxes all of your military wages and all nonmilitary income regardless of the source. File Form 40.

Idaho Residents on Active Duty — Stationed Outside of Idaho

Report all your Idaho income to Idaho if you meet all the following criteria:

- You joined the military as an Idaho resident
- Idaho is your military home of record
- You were on active duty for 120 or more consecutive days
- You were stationed outside of Idaho for all or part of the year

File Form 40 if you're single or if you're married and your spouse also is an Idaho resident.

File Form 43 if you're married and your spouse is an Idaho nonresident, part-year resident, or military nonresident.

- Check the "Idaho Resident on Active Military Duty" residency status box for yourself
- Check the applicable residency status box for your spouse

Idaho residents in the military don't lose Idaho residency or domicile by being absent because of military orders.

A qualified servicemember isn't a resident of, or domiciled in, Idaho just by being stationed in Idaho.

Nonresidents on Active Duty Stationed in Idaho

Idaho doesn't tax your military income if your military home of record isn't Idaho and you're on active duty stationed in Idaho for all or part of the year.

Idaho taxes nonmilitary income from Idaho sources.

File Form 43 if your gross income from Idaho sources is more than \$2,500. The instructions for Form 43 begin on page 15.

National Guard Members Called to Active Duty in a Combat Zone

Idaho follows federal law and provides income tax relief for servicemembers on active duty in combat zones. Below is a summary of how these laws affect Idaho National Guard members:

- All tax filing deadlines are extended for at least 180 days after your last day in a combat zone
- No interest or penalty accrues for nonpayment of individual income taxes while you're in a combat zone
- If you're enlisted or a warrant officer, you don't owe tax on military pay received while in a combat zone. If you're a commissioned officer, the monthly exclusion is capped at the highest enlisted pay plus any hostile fire or imminent danger pay received
- Federal law doesn't cover business tax returns, employment taxes, or sales/use tax obligations
- Write "COMBAT ZONE" and the date of deployment on top of the tax return you're filing

American Indians

You can deduct all your income from working on the reservation only when you meet all these criteria:

- You're enrolled in a federally recognized tribe
- You live and work on the reservation
- The income is included on the tax return

If you have no other income, you aren't required to file.

If you have other income in an amount that meets the federal filing requirement, you must file an Idaho return. For specific instructions see Form 39R or 39NR.

Amended Returns

Use Form 40 or 43 to amend your return. Check the amended return box at the top of the form and enter the reason for amending.

See **Amended Return** on page 7 or 15 for more information.

If your taxable income or tax credits change because of an audit, you must send written notice including an amended return to the Tax Commission within 120 days of the final determination. Include copies of all federal and/or state schedules.

If you owe additional Idaho tax and don't send written notice within 120 days of the final federal determination, we apply a 5% negligence penalty. We charge interest on any tax due.

If the final determination results in an Idaho refund, you must file an amended Idaho income tax return with the written notice. If the statute of limitations is closed, you have one year from the date of the final determination to file for the refund.

Deadlines to Claim a Refund

To qualify for a refund, you must file a return within:

- Three years from the original return filing date, or
- Three years from the original return due date (not including extensions)

For amended returns, you must file a claim for refund within:

- Three years from the original return filing date, or
- One year from the time the federal audit was closed (if the amended return is because of a federal audit)

Instructions are for lines not fully explained on the form. General information instructions beginning on page 2 also apply to this form.

Grocery Credit Refund Only

If you're not required to file an income tax return but are filing Form 40 to receive a grocery credit refund, you don't need to include a copy of a federal return. If you or your spouse are over age 65, see Form 24.

You must complete Form 40 as follows:

- Complete the top of the form through line 6
- Write "NRF" (Not Required to File) on line 7
- **Skip** lines 8 through 11
- Complete line 12a if you (or your spouse) are age 65 or older
- **Skip** lines 12b through 31
- Cross through the \$10 on line 32, Permanent Building Fund, and write "NRF"
- **Skip** lines 33 through 42
- Enter your grocery credit amount on line 43 using the grocery credit worksheet on page 11
- Complete applicable lines 44 through 57
- **Skip** lines 58 through 61
- Complete the bottom of Form 40 below line 61

Heading

Write your name, address, and Social Security number (SSN) in the spaces provided. If you don't have an SSN, write your Individual Tax Identification Number (ITIN).

If you don't have or aren't required to have an SSN or ITIN, enter "NRA" (Nonresident Alien) in the SSN space. If you've applied for an ITIN and haven't received it from the Internal Revenue Service (IRS) before you file your Idaho return, enter "Form W-7" in the space provided for the SSN. If you enter "Form W-7," include a copy of your federal Form W-7 with your return. Once you receive your ITIN from the IRS, you must provide it to the Tax Commission before your return can finish processing.

If you receive an SSN after using an ITIN, you must use the SSN and stop using your ITIN. It's your responsibility to notify the Tax Commission so your return can finish processing.

Be sure that your return and W-2 forms show the correct SSN or ITIN. An error in your SSN or ITIN will delay your refund.

Amended Return

You can use this form as an original return or an amended return.

If you're filing this form as an amended return, check the box at the top of the form. Enter the number from the following list that best describes your reason for amending:

1. Federal Audit
2. Net Operating Loss Carryback – Include Form 56 or a schedule showing the application of the loss
3. Federal Amended – Include a complete copy of your amended federal return
4. Other – Include an explanation

Complete the entire form and schedules using the corrected amounts. Don't include a copy of your original return with the amended return.

Lines 1 through 5 Filing Status

Check the box indicating your Idaho filing status. Refer to **General Information** on page 2 for more information on filing status.

Line 6 Household

Line 6a. Yourself. Enter "1" unless someone else claims you as a dependent on their return.

Line 6b. Spouse. Enter "1" if you're filing a joint return. Enter "1" if your spouse died during 2023 and you're filing a joint return.

Leave the line blank if someone else claims your spouse as a dependent on their return.

Line 6c. Dependents. List your dependents. Include their SSN and birthdate. If you have more than four dependents, continue on Form 39R, Part F. Enter the total number of dependents on the line.

If you're the noncustodial parent of a dependent and are claiming them on your return, include federal Form 8332 or a copy of the court order with your return. See irs.gov/pub/irs-pdf/f8332.pdf for more information.

Line 6d. Total. Add lines 6a through 6c.

Line 7 Federal Adjusted Gross Income

Enter your federal adjusted gross income from Form 1040 or 1040-SR, line 11.

Line 11 Total Adjusted Income

If your total adjusted income is negative, see Form 56 and instructions.

Tax Computation

Line 12a Age 65 or Older

If you're 65 or older, check the box for "Yourself." If you're filing a joint return and your spouse is 65 or older, check the box for "Spouse." If your 65th birthday was on January 1, 2024, you may consider yourself 65 on December 31, 2023. The boxes you check must match your federal return.

Line 12b Blind

Check the box for "Yourself" if you're blind. If you're filing a joint return and your spouse is blind, check the box for "Spouse." The boxes you check must match your federal return.

Line 12c Claimed Dependent

Check this box if someone else, such as a parent, can claim you as a dependent.

Lines 13 – 16

Standard Deduction

Most people can find their standard deduction by looking at the instructions to the left of Form 40, line 16. Use the Standard Deduction Worksheet beginning on this page to calculate your standard deduction if:

- You check any boxes on lines 12a through 12c, or
- Someone can claim you or your spouse, if filing jointly, as a dependent

You can use either your federal itemized deductions or standard deduction, whichever benefits you more.

You Must Itemize If:

- You're married, filing a separate return (filing status 3), and your spouse itemizes
- You had dual status as a nonresident alien for part of 2023 and during the rest of the year, you were a resident alien or a U.S. citizen

You don't have to itemize if you file a joint return with your spouse who was a U.S. citizen or resident at the end of 2023, and you and your spouse agree to be taxed on your combined worldwide income.

Idaho requires that state or local income or general sales taxes shown on federal Schedule A be subtracted from your total itemized amount before you use this figure to reduce your income. Because of this addback, it may be more beneficial to itemize for federal purposes but use the standard deduction for Idaho.

If the IRS considers you or your spouse a nonresident alien and you aren't from India, your standard deduction is zero. If you're nonresident aliens from India, use the standard deduction indicated for your filing status.

If line 15 is more than line 16, use your itemized deductions on line 15. If line 16 is more than line 15, use your standard deduction on line 16.

Itemized Deductions

If you use federal Schedule A to itemize, use the following instructions for line 14:

- If federal Schedule A, line 5d, is:
 - \$10,000 or less (\$5,000 if married filing separately), enter the amount from federal Schedule A, line 5a.
 - More than \$10,000 (\$5,000 if married filing separately), subtract lines 5b and 5c from line 5e, and enter the amount here. Enter zero for any result less than zero.

Federal Foreign Tax Credit: If you claim the federal foreign tax credit, Idaho allows that amount as a deduction. Idaho doesn't have a credit that matches the federal foreign tax credit.

Add the amount you claimed for the federal foreign tax credit to your Idaho itemized deductions.

Standard Deduction Worksheet

1. Enter the amount shown below for your filing status:
 - Single or married filing separately, enter \$13,850
 - Married filing jointly or qualifying surviving spouse, enter \$27,700
 - Head of household, enter \$20,800 _____
2. Can you be claimed as a dependent?

No. Enter the amount from line 1 on line 4. Skip line 3.

Yes. Go to line 3.
3. Is your earned income* more than \$850?

Yes. Add \$400 to your earned income. Enter the total.

No. Enter \$1,250 _____
4. If you can be claimed as a dependent, enter the smaller of lines 1 or 3. If born after January 1, 1959, and not blind, skip to line 6. Otherwise, go to line 5 _____

5. If born before January 2, 1959, or blind, multiply the total number of boxes checked on Form 40, lines 12a and 12b, by \$1,500 (\$1,850 if single or head of household)
6. Add lines 4 and 5. Enter the total here and on Form 40, line 16

***Earned income** includes wages, salaries, tips, professional fees, and other compensation received for personal services you performed. It also includes any amount received as a scholarship that you must include in your income. See **Gross Income** in **General Information**.

Line 18 Qualified Business Income Deduction

Enter the amount from federal Form 1040 or 1040-SR, line 13.

Line 20 Tax

Enter the tax on this line.

Worksheet

1. Enter the amount of Idaho taxable income from Form 40, line 19.....
2. Enter the amount shown below for your filing status:
 - Single or married filing separately, enter \$4,489
 - Married filing jointly, head of household, or qualifying surviving spouse, enter \$8,978
3. Subtract line 2 from line 1. Enter the subtotal
4. Multiply subtotal by 5.8%
5. **Idaho tax.** Enter the total here and on Form 40, line 20

If you don't meet the filing requirement (see page 2) and are filing only to receive a refund of withheld taxes, write "NRF" (Not Required to File) on this line.

Credits

Line 22 Income Tax Paid to Other States

When both Idaho and another state tax the same income, you may qualify for a credit for tax paid to the other state. Use Form 39R to compute the credit. You must include a copy of the other state's income tax return and Form 39R. If the credit applies to more than one state, use a separate Form 39R for each state. See instructions, page 37.

You may qualify for a credit for tax paid to another

state by a pass-through entity. If a pass-through entity paid tax to another state on your behalf, it should report that information to you.

Examples of income that may be taxed by both Idaho and another state include:

- Wages earned in another state that has an income tax, such as Oregon or Utah, while you're living in Idaho
- Income from a business or profession earned in another state that has an income tax while you're a resident of Idaho

Line 23 Total Credits for Charitable Contributions and Live Organ Donations

You may qualify for a credit if you donated a qualified organ that's transplanted into another individual, or if you made a contribution to a:

- Qualified Idaho educational entity
- Center for independent living
- Youth or rehabilitation facility or its foundation, or
- Nonprofit substance abuse center licensed by the Idaho Department of Health and Welfare

Complete Form 39R, Part D and see page 37 for specific instructions. Enter the total allowed credit from Form 39R, Part D, line 4, and include Form 39R with your return.

Line 25 Idaho Child Tax Credit Worksheet

To qualify for the Idaho Child Tax Credit, the child must:

- Be your qualifying child, and
- Be age 16 or under as of December 31, 2023

If you don't have a qualifying child, you can't claim the credit.

For divorced parents or parents who don't live together, the custodial parent claims the qualifying child.

The noncustodial parent may claim the child if:

- A court has awarded the right to claim the child for tax purposes to the noncustodial parent, or
- The custodial parent signs a written declaration that the noncustodial parent can claim the child for the child tax credit

The noncustodial parent must include a copy of the court order or the written declaration with their income tax return.

Note: This credit is limited to your tax liability after any credit for tax paid to other states and credits from Forms 39R and 44.

Worksheet

1. Enter the number of your qualifying children* _____
2. Multiply line 1 by \$205 _____
3. Enter the amount from Form 40, line 20 _____
4. Enter the amount from Form 40, line 22 _____
5. Enter the amount from Form 40, line 23 _____
6. Enter the amount from Form 40, line 24 _____
7. Subtract lines 4 through 6 from line 3. If less than zero, enter zero _____
8. Enter the lesser of lines 2 or 7 here and on Form 40, line 25 _____

*See federal Form 1040 instructions for more information on qualifying children.

Other Taxes

Line 28 Fuels Tax Due

If you buy gasoline, aircraft fuel, or special fuels (diesel, propane, or natural gas) without paying the fuels tax and later use this fuel in licensed vehicles or aircraft, you owe fuels tax. Add the amounts on Form 75, Section IV, lines 3 and 4, and enter the total. Include Form 75.

Line 29 Sales/Use Tax Due

If you made purchases during the year without paying sales tax, you must pay use tax on these purchases. If you purchased an item from an out-of-state seller (including internet, catalog, radio, and TV purchases) and the seller didn't collect sales tax on that purchase, you must pay the use tax directly to the Tax Commission. Multiply the total amount of purchases by 6% (.06). If you computed use tax on Form 75, add it to the use tax on other purchases and enter the total on this line.

If you have an Idaho sales or use tax account, don't report your sales or use tax on this line, but continue to report the tax on these purchases on your sales and use tax returns.

Line 30 Total Tax from Recapture of Income Tax Credits

If you've claimed Idaho tax credits that no longer qualify, you must compute the tax credit recapture. Enter the total tax from recapture of income tax credits from Form 44, Part II, line 6. Include Form 44.

Line 31 Tax from Recapture of Qualified Investment Exemption (QIE)

If you've claimed Idaho exemption of property taxes from property that no longer qualifies, you must compute the recapture of the QIE. Include Form 49ER.

Line 32 Permanent Building Fund (PBF) Tax

You're required to pay the \$10 PBF tax if you're required to file an Idaho income tax return. See **Who Must File** on page 2.

You aren't required to pay the \$10 PBF tax if:

- Your gross income was less than the amount specified for your filing status. Draw a line through the \$10 and enter "NRF" (Not Required to File)
- You were receiving Idaho public assistance payments at the end of the tax year. Check the box on this line and draw a line through the \$10. Food stamps and WIC payments don't qualify as Idaho public assistance
- You (or your spouse) are legally blind at the end of the tax year. Draw a line through the \$10

Donations

The donations on lines 34 through 41 are voluntary and will either reduce your refund or increase your tax due. Once you make the donation, it can't be changed. These donations may be itemized as charitable contribution deductions on your 2024 income tax return. If you have questions about your donations, contact the agencies listed.

If you're filing an amended return, your donations can't be less than the amounts on the original return.

If you make a donation and owe tax, you must pay the tax at the time of filing.

Line 34 Idaho Nongame Wildlife Fund

Contributions are used to ensure the conservation and management of nongame wildlife, rare plants, and their habitats in Idaho, to promote greater awareness of and appreciation for species that aren't hunted, fished, or trapped, and to increase opportunities to view and enjoy "watchable" wildlife. For more information visit the Department of Fish and Game website at idfg.idaho.gov/wildlife/funding or call (208) 334-2920.

Line 35 Idaho Children's Trust Fund/Prevent Child Abuse Idaho

Contributions are used to protect our children, Idaho's single greatest resource. The Children's Trust supports work in communities throughout Idaho to

prevent child abuse and neglect before it ever occurs. For more information visit the Idaho Children’s Trust Fund/Prevent Child Abuse Idaho website at idahochildrenstrustfund.org or call (208) 386-9317.

Line 36 Special Olympics Idaho

Contributions provide support for year-round sports training and competition for children and adults with developmental disabilities in Idaho. For more information visit the Special Olympics Idaho website at specialolympicsidaho.org or call (208) 323-0482.

Line 37 Idaho Guard and Reserve Family Support Fund

Contributions are used to assist military reservists and their families to promote the overall readiness for them to support our state and federal missions. For more information visit the Idaho Guard and Reserve Family Support Fund, Inc. website at imd.idaho.gov/igr-family-support or call (208) 801-4225.

Line 38 American Red Cross of Idaho Fund

Contributions prevent and alleviate human suffering in the face of emergencies. For more information visit the American Red Cross website at redcross.org/local/idaho or call (800) 733-2767.

Line 39 Veterans Support Fund

Contributions fund programs that support Idaho veterans. For more information visit the Idaho Division of Veterans Services website at veterans.idaho.gov/publications/idaho-veterans-support-fund or call (208) 780-1300.

Line 40 Idaho Food Bank Fund

Contributions assist Idaho hunger relief organizations in meeting the demand for emergency food for hungry Idaho families, children, and senior citizens. For more information visit the Idaho Food Bank Fund website at idahofoodbankfund.org or call (208) 336-9643.

Line 41 Opportunity Scholarship Program

Contributions help provide need-based scholarship funds to Idaho high school graduates who attend approved higher education institutions within Idaho. For more information visit the Idaho Opportunity Scholarship Program website at boardofed.idaho.gov/scholarships/Idaho-opportunity-scholarship.

Payments and Other Credits

Line 43 Grocery Credit

If you’re an Idaho resident, you can claim a credit for each qualifying dependent who’s an Idaho resident. If someone else, such as a parent, can claim you as a dependent, you can’t claim this credit on your return. The credit is \$120 each for you, your spouse, and your dependents. You can claim an additional \$20 if you’re age 65 or older on December 31, 2023, and are an Idaho resident. You can claim an additional \$20 if your spouse is age 65 or older and is an Idaho resident.

An individual doesn’t qualify for the credit for any month or part of a month for which that person:

- Received assistance from the federal food stamp program
- Was incarcerated, or
- Lived illegally in the United States

Members of the Armed Forces

A member of the United States Armed Forces who’s domiciled in Idaho is allowed the credit. If you live in Idaho but are a nonresident under the Servicemembers Civil Relief Act, you aren’t allowed the grocery credit.

A spouse or dependent of a nonresident military person stationed in Idaho may be an Idaho resident or part-year resident. The domicile of a dependent child is the same as that of the nonmilitary spouse.

Complete the worksheet and enter the total computed grocery credit on line 43. See the following instructions to donate your credit. If you aren’t donating your credit, enter the computed amount in the column for line 43.

Grocery Credit Worksheet

Yourself:

1. Number of qualified months _____
2. **If 65 or older**, multiply line 1 by \$11.67
If qualified for the entire year, enter \$140 _____
If under 65, multiply line 1 by \$10.
If qualified for the entire year, enter \$120 _____

Spouse (if joint return):

3. Number of qualified months _____
4. **If 65 or older**, multiply line 3 by \$11.67
If qualified for the entire year, enter \$140 _____
If under 65, multiply line 3 by \$10
If qualified for the entire year, enter \$120 _____

Resident dependents claimed on line 6:

- Enter \$120 for each dependent who qualifies for the entire year. If a dependent qualifies for only part of the year, compute as follows:

Number of qualified months ____ x \$10 _____
 Number of qualified months ____ x \$10 _____
 Number of qualified months ____ x \$10 _____
 Number of qualified months ____ x \$10 _____

If you have more than four dependents, use additional paper to compute.

Total credit allowed:

- Add amounts on lines 2, 4, and 5. Enter total on line 43

Donating Your Grocery Credit

You can donate your entire grocery credit to the Cooperative Welfare Fund. To donate, check the box on line 43 and enter zero (0) in the column for line 43. Once you make the donation, it can't be changed on an amended return.

Note: If you (or your spouse) are age 65 or older and qualify for the credit but aren't required to file an Idaho income tax return, you can claim the credit on Form 24. You can get this form from any Tax Commission office or our website at tax.idaho.gov/IITforms. Form 24 is due by April 15, 2024.

Line 44 Maintaining a Home for a Family Member Age 65 or Older or a Family Member with a Developmental Disability

You can claim a tax credit of \$100 per person (up to \$300) if you maintained a household for an immediate family member:

- Age 65 or older (not including yourself or your spouse), or
- With a developmental disability (including yourself and your spouse), and
- Didn't claim a deduction of \$1,000 per person on Form 39R, Part B, line 15

You can claim this credit even if your gross income is less than the filing requirement.

Line 45 Fuels Tax Refund

If you buy special fuels (diesel, propane, or natural gas) with Idaho tax included and use this fuel for heating or in off-highway equipment, you may be eligible for a refund of the Idaho special fuels tax you paid. Enter the amount from Form 75, Section IV, line 2. Include Form 75. Heating fuel generally is purchased without paying the tax.

If you buy gasoline and use it in unlicensed equipment or auxiliary engines, you may be eligible for a refund of the Idaho gasoline tax you paid. Enter the amount from Form 75, Section IV, line 1. Include Form 75.

Line 46 Idaho Income Tax Withheld

Enter the total amount of Idaho income tax withheld. Include legible state copies of Form W-2s, 1099s, and other information forms that show Idaho withholding.

Don't claim credit for tax withheld for other states or federal tax withheld.

Don't include Form W-2s from other tax years or write on or change the amounts on your Form W-2s.

Line 47 Form 51 Payments

Enter the total payments you made with Form 51s on or before the due date. Include the amount of overpayment applied from your 2022 return.

Line 48 Paid by Entity/Withheld/Affected Business Entity (ABE)

If a pass-through entity pays or withholds income tax for an Idaho resident owner, include the amount paid or withheld on this line as specified on Form ID K-1. Also, include the amount of tax paid by the ABE on the individual's share of ABE income. Include a copy of Form ID K-1s with your income tax return.

Line 49 Tax Reimbursement Incentive Credit

Enter the total credit allowed from the Idaho Reimbursement Incentive Certificate. Include a copy of the certificate with the return.

Claim of Right Credit

If you claimed a deduction or credit on your federal return for claim of right, complete Idaho Worksheet CR to determine which option benefits you most on your Idaho return. See Claim of Right Worksheets at tax.idaho.gov/taxes/income-tax/individual-income/popular-credits-and-deductions/claim-of-right-income-repayments.

Tax Due or Refund

Line 52 Penalty and Interest

Idaho law provides penalties for not filing tax returns by the due date, not paying tax due on time, and not prepaying enough on extension returns. For more information or to calculate a penalty, see our *Penalties and Interest* page at tax.idaho.gov/penalties.

Interest: We charge interest on the amount of tax due, line 51, from the original due date until paid. The rate for 2024 is 6%.

Idaho Medical Savings Account: If you make an Idaho medical savings account withdrawal that's taxable and you're under age 59 1/2, the withdrawal is subject to penalty. The penalty is 10% of the amount withdrawn. Check the box and enter the amount here.

Line 53 Nonrefundable Credit From a Prior Year Return

If you were denied a refund from an overpayment of tax on a prior year return because of the three-year statute of limitations, you may be eligible to take a credit for the amount. See Idaho Form 44 for calculation of your credit and include it with your return.

Line 54 Total Due

Enter the amount you owe, including penalty and interest, on this line.

Don't send cash. Payments of less than \$1 aren't required. We charge a \$20 fee on all returned checks.

Electronic payments. There's no fee to pay by ACH Debit. Our third-party provider charges a convenience fee when you pay by credit card or e-check. We accept American Express®, Discover®, MasterCard®, and Visa®. For more information, visit our *E-Pay* page at tax.idaho.gov/epay.

Check payments. Make your check or money order payable to the Idaho State Tax Commission. Be sure to write your Social Security number on it, and include it with your return. Don't staple your check to your return or send a check stub.

Line 56 Refund/Apply to 2024

Refund

Enter the amount of your overpayment from line 55 that you want refunded to you. Refunds of less than \$1 won't be issued. You have three years from the return's due date (not including extensions) to claim a refund. Refunds will be reduced by unpaid Idaho tax liabilities and can be applied to unpaid liabilities owed to other agencies.

The agency or party seizing the refund must send you notice of the action. Questions about a refund seizure should be directed to the agency or party that initiated the claim for seizure.

Apply to 2024

If you're filing an original return, subtract the amount

you want to refund from line 55. Any difference will be applied to your 2024 tax and won't be refunded.

Line 57 Direct Deposit

Complete this line if you want us to deposit your refund directly into your bank or Idaho 529 College Savings (IDeal) account instead of mailing you a check.

If your refund is being forwarded from a United States financial institution to a financial institution or financial agency located outside of the United States, check the box on this line. If after filing your Idaho income tax return you become aware that your electronic refund payment will be electronically deposited in a financial institution or financial agency located outside of the United States, please notify us at:

Idaho State Tax Commission
PO Box 56
Boise ID 83756-0056

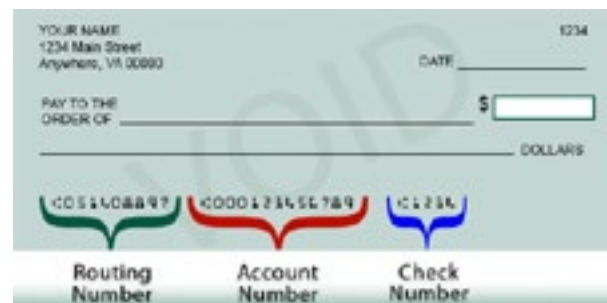
Contact your bank to make sure your deposit will be accepted and that you have the correct routing and account numbers.

Enter your nine-digit routing number. The routing number must begin with 01 through 12 or 21 through 32 for bank accounts. For all IDeal accounts, the routing number is 011001234.

Enter the account number you want your refund deposited into. The account number can be up to 17 characters (both numbers and letters). For IDeal accounts, the account number will be 541 plus the 11-digit IDeal account number.

Don't include hyphens, spaces or special symbols. Enter the number left to right and leave any unused boxes blank.

Check the appropriate box for account type. Check **either** checking or savings, but not both. For IDeal accounts, check the box for checking.



The check example above indicates where the proper banking information is located. To locate

your iDeal account number, log into your account at www.idsaves.org or call (866) 433-2533 for assistance. You're responsible for the accuracy of this information.

If your financial institution rejects your request for direct deposit, you'll receive a check by mail instead.

Note: An iDeal account has a maximum balance limit of up to \$350,000 for each beneficiary.

Amended Return Only

Complete lines 58 through 61 only if you're filing this return as an amended return.

Line 58 Total Due or Overpaid on This Return

If the total due shown on line 54 is greater than zero, enter it as a positive amount.

If line 54 is zero, enter the amount of overpayment that's shown on line 55 here as a negative amount.

Line 59 Refund from Original Return Plus Additional Refunds

Enter the total refund amount from previous returns for this tax year here as a positive amount.

Line 60 Tax Paid with Original Return Plus Additional Tax Paid

Enter the total due paid from previous returns for this tax year here as a positive amount. (Don't include penalty, interest, Form 51 estimated payments, withholding, or unpaid tax.)

Line 61 Amended Tax Due or Refund

Add lines 58 and 59, then subtract line 60. A positive amount is your amended tax due. A negative amount is your amended refund.

Tax Preparer Contact Box

This box applies only if you paid a tax preparer to complete your return. If you check the box, you're authorizing the Tax Commission to discuss your return with the paid preparer identified on the return.

You're also authorizing the paid preparer to:

- Give the Tax Commission any information that's missing from your return, and
- Call the Tax Commission for information about the processing of your return or the status of your refund or payments

You're not authorizing the paid preparer to receive any refund check, bind you to anything including any additional tax liability, or otherwise represent you before the Tax Commission.

This authorization is valid for up to 180 days from the date the Tax Commission receives the return. If you want the Tax Commission to contact you rather than your preparer, leave the box blank.

Signatures

Who must sign the return?

- You
- Your spouse (if filing a joint return)
- A paid preparer (if used). Include preparer's name, address, and identification number
- An authorized person signing for a deceased individual or an individual unable to sign. Include the authorized person's relationship to the taxpayer. Write "FILING AS SURVIVING SPOUSE" or "UNABLE TO SIGN" in the signature space
- If a taxpayer signs with an "X," this mark must be witnessed
- Not signing the return will delay processing

Instructions are for lines not fully explained on the form. General information instructions beginning on page 2 also apply to this form.

Grocery Credit Refund Only

You must be an Idaho resident or an Idaho resident on active military duty to qualify for a refund of the grocery credit. Part-year residents can claim a prorated credit against their tax due but don't qualify for a refund of any excess credit. Nonresidents don't qualify for the credit.

If you were a resident, but your spouse was a part-year resident or nonresident and you aren't required to file an income tax return, file Form 43 to claim a refund of the grocery credit allowed to the resident.

You aren't required to include a copy of the federal return.

Complete Form 43 as follows:

- Complete the top of the form through line 6
- **Skip** lines 7 through 27
- Write "**NRF**" (Not Required to File) on line 28, Column A. Leave line 28, Column B blank
- **Skip** lines 29 through 31
- Complete line 32a if you (or your spouse) are age 65 or older
- **Skip** lines 33 through 51
- Cross through the \$10 on line 52, Permanent Building Fund, and write "**NRF**"
- **Skip** lines 53 through 62
- Enter your grocery credit amount on line 63 using the grocery credit worksheet on page 24
- Complete applicable lines 64 through 77
- **Skip** lines 78 through 81
- Complete the bottom of Form 43 below line 81

Heading

Write your name, address, and Social Security number (SSN) in the spaces provided. If you don't have an SSN, write in your Individual Tax Identification Number (ITIN).

If you don't have or aren't required to have an SSN or ITIN, enter "**NRA**" (Nonresident Alien) in the SSN space. If you've applied for an ITIN and haven't received it from the IRS before you file your Idaho return, enter "Form W-7" in the space provided for the SSN. If you enter "Form W-7," include a copy of

your federal Form W-7 with your return. Once you receive your ITIN from the IRS, you must provide it to the Tax Commission before your return can finish processing.

If you receive an SSN after using an ITIN, you must use the SSN and stop using your ITIN. It's your responsibility to notify the Tax Commission so your return can finish processing.

Be sure that your return and W-2 forms show the correct SSN or ITIN. An error in your SSN or ITIN will delay your refund.

Amended Return

You can use this form as an original return or an amended return.

If you're filing this form as an amended return, check the box at the top of the form. Enter the number from the following list that best describes your reason for amending.

1. Federal Audit
2. Net Operating Loss Carryback – Include Form 56 or a schedule showing the application of the loss
3. Federal Amended – Include a complete copy of your federal return
4. Other – Include an explanation

Complete the entire form and schedules using the corrected amounts. Don't include a copy of your original return with the amended return.

Nonresident Alien

Nonresident aliens for federal purposes are nonresidents for Idaho income tax purposes. If you're (you or your spouse) a nonresident alien, check the box below the address and check Nonresident for your residency status.

Residency Status

Check the box that applies to your residency status for 2023. If you're married and filing a joint return, check the box that applies to your spouse's residency for 2023. Use Form 43 if one of you is a resident and the other isn't, and you filed a joint federal return. See page 4 to determine your status.

- If you're (you or your spouse) an Idaho resident, check box 1.
- If you're (you or your spouse) a member of the armed forces on active military duty outside Idaho and Idaho is your state of permanent residence, check box 2. (An Idaho resident on

active military duty in or outside Idaho must file on Form 40 unless your spouse is a part-year resident or nonresident.)

- If you're (you or your spouse) a nonresident, check box 3.
- If you or your spouse moved into or out of Idaho and were a resident for only part of the year, check box 4.
- If you're (you or your spouse) in Idaho on military orders but your state of permanent residence is another state, check box 5. See the instructions for **Military Personnel** on page 5 of this booklet.

If the earned income of a servicemember's spouse is exempt from Idaho taxation on Idaho Form 43, the servicemember must check box 5 and the qualifying spouse must check box 3.

If you're a resident filing Forms 43 and 39NR due to a nonresident spouse, the amounts reported for additions and subtractions in the Idaho column must be the total amount for your share of those additions or subtractions plus the amount of any Idaho additions or subtractions of your nonresident spouse.

Full Months in Idaho This Year

If you were a part-year resident, enter the number of full months you lived in Idaho in 2023. If you're married and filing a joint return, enter the number of full months your spouse lived in Idaho in 2023. Nonresidents don't respond to this question.

Current State of Residence

Use the two-letter state abbreviation to report your current state of residence. For example, if you moved to Idaho during 2023, use ID. All part-year residents and nonresidents must complete this section. Spouses with separate domiciles may report different states. If you're a military nonresident, indicate your military home of record.

Lines 1 Through 5 Filing Status

Check the box indicating your Idaho filing status. Refer to **General Information** on page 2 for further information on filing status.

Line 6 Household

Line 6a. Yourself. Enter "1" unless someone else claims you as a dependent on their return.

Line 6b. Spouse. Enter "1" if you're filing a joint return.

Enter "1" if your spouse died during 2023 and you're filing a joint return.

Leave the line blank if someone else claims your spouse as a dependent on their return.

Line 6c. Dependents. List your dependents. Include their SSN and birthdate. If you have more than four dependents, continue on Form 39NR, Part G. Enter the total number of dependents on the line.

If you're the noncustodial parent of a dependent and are claiming them on your return, include federal Form 8332 or a copy of the court order with the return. See [irs.gov](https://www.irs.gov) for more information.

Line 6d. Total Household. Add lines 6a through 6c.

Idaho Income

Complete your federal income tax return before you begin this form. You'll use the information from your federal income tax return to complete your Form 43.

Line 7 Wages, Salaries, Tips, etc.

Enter the total wages, salaries, tips, etc. received for all employment while an Idaho resident or part-year resident and for all work performed in Idaho while a nonresident. If you're a nonresident who works for an employer both in Idaho and outside of Idaho, visit our *Idaho Residency Status* webpage at tax.idaho.gov/IITbasics. It explains how to determine the amount of income that's taxable to Idaho.

If your military home of record is Idaho and you're on active duty outside Idaho, include all of your wages. Your active duty military wages earned outside of Idaho can be deducted on Form 39NR, Part B, line 7. If you have nonmilitary wages that are taxable in another state, you can take a credit for tax paid to other states on Form 39NR, Part D.

If your military home of record wasn't Idaho and you were on active duty in Idaho, don't include your military wages.

If the servicemember's spouse's earned income isn't taxable by Idaho as described on page 5 under **Military Personnel**, don't include the qualifying spouse's wages.

If the wages on line 7 don't match the Idaho income amounts on your Form W-2s, include a schedule or explanation.

Line 8 Taxable Interest Income

From federal Form 1040 or 1040-SR, line 2b, enter all:

- Interest income received while an Idaho resident
- Business interest income earned from Idaho sources
- Interest income on installment sales of Idaho property

Note: Don't include interest earned from a personal bank account in Idaho while a nonresident.

Line 9 Dividend Income

From federal Form 1040 or 1040-SR, line 3b, enter dividends earned while an Idaho resident or part-year resident and dividends earned from Idaho sources while a nonresident.

Line 10 Alimony Received

From federal Schedule 1, line 2a, enter alimony received while an Idaho resident or part-year resident.

Line 11 Business Income or Loss

From federal Schedule 1, line 3, enter the income or loss reported on Schedule C or C-EZ from businesses or professions engaged in while an Idaho resident or part-year resident or conducted in Idaho while a nonresident. A nonresident conducting business in Idaho and another state must apportion income or loss. Complete and include Idaho Form 402.

Line 12 Capital Gain or Loss

From federal Form 1040 or 1040-SR, line 7, enter the gain or loss reported on Schedule D from:

- The sale of capital assets located in Idaho
- The sale of capital assets while you were residing in Idaho, or
- The receipt of installment sale proceeds while you were an Idaho resident

Line 13 Other Gains or Losses

From federal Schedule 1, line 4, enter other gains or losses reported on federal Schedule 4797 that occurred while an Idaho resident or part-year resident or from an Idaho business.

Line 14 IRA Distributions

From federal Form 1040 or 1040-SR, line 4b, enter the amount of IRA distributions received while an Idaho resident or part-year resident.

Line 15 Pensions and Annuities

From federal Form 1040 or 1040-SR, line 5b, enter the amount of pensions and annuities received while an Idaho resident or part-year resident.

Line 16 Rents, Royalties, Partnerships, etc.

From federal Schedule 1, line 5, enter the amount reported on Schedule E earned or received while an Idaho resident or part-year resident or related to Idaho business or property. Report passive activity losses from Idaho activities that are "Allowed" losses from federal Form 8582 and corresponding worksheets.

Line 17 Farm Income or Loss

From federal Schedule 1, line 6, enter the amount reported on Schedule F that's farm income or loss incurred while an Idaho resident or part-year resident or from an Idaho farming operation. A nonresident operating a farm in Idaho and another state must apportion income or loss. Complete and include Idaho Form 402.

Line 18 Unemployment Compensation

From federal Schedule 1, line 7, enter any unemployment compensation received while an Idaho resident or part-year resident. Enter the amount received from the Idaho Department of Labor while a nonresident.

Line 19 Other Income

From federal Schedule 1, line 8, enter any other income received while an Idaho resident or part-year resident or from an Idaho source. An example is:

- Idaho lottery winnings over \$600

Also include:

- The total of any state income tax refunds received while an Idaho resident from federal Schedule 1, line 1, state tax rebates for Idaho servicemembers, and
- The taxable amount of Social Security benefits received while an Idaho resident from federal Form 1040 or 1040-SR, line 6b.

Don't include federal NOL on this line.

Idaho Adjustments**Line 21 Deductions for IRAs and Health Savings Accounts**

Enter Idaho's portion of:

- The IRA deduction included on federal Schedule 1, line 20

- The deduction for a federal health savings account included on Schedule 1, line 13
 - The Archer MSA deduction included on Schedule 1, line 23, and
 - The IRC 501(c)(18)(D) retirement plan included on Schedule 1, line 24f
1. Enter the amount of wages and earned income you computed on the federal IRA deduction worksheet and the amount of income you earned from the business that the federal health savings account deduction is claimed on _____
 2. Enter the amount from line 1 received while an Idaho resident or part-year resident or from Idaho sources _____
 3. Divide line 2 by line 1.
(Can't exceed 100%) _____ %
 4. Enter amounts from federal Schedule 1, lines 13, 20, 23, and 24f _____
 5. Multiply line 4 by line 3. Enter this amount on line 21 _____

Line 22 Moving Expenses, Alimony Paid, and Student Loan Interest

If you claimed a deduction on federal Schedule 1, line 14, 19a, or 21 for moving expenses, alimony paid, or student loan interest, complete this worksheet to determine your Idaho deduction, if any:

1. Enter total income from Form 43, line 20.
Don't include federal NOL in line 20 _____
2. Enter total income from federal Form 1040 or 1040-SR, line 9, less federal NOL unless already subtracted _____
3. Divide line 1 by line 2.
(Can't exceed 100%) _____ %
4. Enter total allowable federal amount of moving expenses, alimony paid, and student loan interest _____
5. Multiply line 4 by line 3. Enter this amount on line 22 _____

Line 23 Deductions for Self-employed

Enter Idaho's portion of the deductions for self-employment tax, self-employed health insurance, and contributions to a Simplified Employee Pension Plan (SEP), a Savings Incentive Match Plan for Employees (SIMPLE), or a qualified plan reported on your federal Schedule 1, lines 15, 16, and 17.

Note: S corporation wages paid to a more-than-2% shareholder qualify for self-employed health insurance.

To compute Idaho's portion, complete this worksheet. If you have amounts from more than three businesses, add more lines.

1. Self-Employment Tax Deduction

Enter the total federal deduction amount related to each Schedule C, E, and/or F in Column A. Compute the Idaho percentage in Column B by dividing the Idaho income reported by each business by the total income reported by each business. Multiply Column A by Column B and enter in Column C.

	A	B	C
Business 1	_____ x _____	_____	= _____
Business 2	_____ x _____	_____	= _____
Business 3	_____ x _____	_____	= _____

Total Idaho Self-Employment Tax Deduction _____

2. Self-Employed SEP, SIMPLE, and Qualified Plans

Enter the total federal deduction amount related to each Schedule C, E, and/or F in Column A. Compute the Idaho percentage in Column B by dividing the Idaho self-employment income reported by each business by the total self-employment income reported by each business. Multiply Column A by Column B and enter in Column C.

	A	B	C
Business 1	_____ x _____	_____	= _____
Business 2	_____ x _____	_____	= _____
Business 3	_____ x _____	_____	= _____

Total Idaho Self-Employed Retirement Plan Deduction _____

3. Self-Employed Health Insurance Deduction

Enter the total federal deduction amount related to each Schedule C, E, and/or F in Column A. Compute the Idaho percentage in Column B by dividing the Idaho income reported by each business by the total income reported by each business. Multiply Column A by Column B and enter in Column C.

	A	B	C
Business 1	_____ x _____	_____	= _____
Business 2	_____ x _____	_____	= _____
Business 3	_____ x _____	_____	= _____

Total Idaho Self-Employed Health Insurance Deduction _____

4. Total Self-Employment Deduction

Add the total amounts in Column C, lines 1, 2, and 3 _____

Line 24 Penalty on Early Withdrawal of Savings

Enter the amount from federal Schedule 1, line 18 that relates to interest income reported as Idaho income.

Line 25 Other Deductions

You may qualify for an Idaho deduction if you claimed any of the following items on federal Schedule 1, lines 11 through 25 relating to:

- Reservists
- Performing artists
- Fee-based government officials
- Educator expenses
- A write-in deduction for rental of personal property
- Reforestation amortization and expenses*
- Attorney fees and court costs
- Jury duty pay

Divide the amount of income relating to that item included in Idaho total income by the income relating to the item included in federal adjusted gross income. This percentage is multiplied by the deduction claimed on your federal return to calculate the deduction allowed on your Idaho return. For example, divide Idaho jury pay included in Idaho total income by total jury pay included in federal adjusted gross income to arrive at a percentage (can't exceed 100%). Multiply that percentage by the amount of the jury pay claimed as a deduction on your federal return. Repeat this step for each of the deductions mentioned above. Total the result for each deduction, and enter the amount on line 25. Include a copy of your calculations with your return.

*If there's no income from the related timber operations for the year of the reforestation deduction, the deduction for reforestation is based on the percentage of property in Idaho to the total property that relates to the reforestation amortization and expense.

Line 28 Adjusted Gross Income

Column A: This must be the same amount of Adjusted Gross Income as reported on your federal Form 1040 or 1040-SR, line 11.

Column B: This is Idaho Adjusted Gross Income. Enter the amount from line 27.

If your Idaho Adjusted Gross Income is negative, see Idaho Form 56 and instructions.

Tax Computation

Line 32a Age 65 or Older

If you're 65 or older, check the box for "Yourself." If you're filing a joint return and your spouse is 65 or older, check the box for "Spouse." If your 65th birthday was on January 1, 2024, you may consider yourself 65 on December 31, 2023. The boxes you check must match your federal return.

Line 32b Blind

Check the box for "Yourself" if you're blind. If you're filing a joint return and your spouse is blind, check the box for "Spouse." The boxes you check must match your federal return.

Line 32c Claimed Dependent

Check this box if someone else, such as a parent, can claim you as a dependent.

Lines 33 – 36

Standard Deductions

Most people can find their standard deduction by looking at the instructions to the left of Form 43, line 36. Use the Standard Deduction Worksheet on page 20 to calculate your standard deduction if:

- You check any boxes on lines 32a through 32c, or
- Someone can claim you or your spouse, if filing jointly, as a dependent

You can use either your federal itemized deductions or standard deduction, whichever benefits you more.

You must itemize if:

- You're married filing a separate return (filing status 3), and your spouse itemizes
- You were a nonresident alien for any part of 2023

You don't have to itemize if you file a joint return with your spouse who was a U.S. citizen or resident at the end of 2023, and you and your spouse agree to be taxed on your combined worldwide income.

Idaho requires that state or local income or general sales taxes shown on federal Schedule A be subtracted from your total itemized amount before you use this figure to reduce your income. Because of this addback, it may be more beneficial to itemize for federal purposes but use the standard deduction for Idaho.

If the IRS considers you or your spouse nonresident aliens and you aren't from India, your standard deduction is zero. If you're nonresident aliens from India, use the standard deduction for your filing status.

If line 35 is more than line 36, use your itemized deductions on line 35. If line 36 is more than line 35, use your standard deduction on line 36.

Itemized Deductions

If you use federal Schedule A to itemize, use the following instructions for line 34:

- If federal Schedule A, line 5d, is:
 - \$10,000 or less (\$5,000 if married filing separately), enter the amount from federal Schedule A, line 5a
 - More than \$10,000 (\$5,000 if married filing separately), subtract lines 5b and 5c from line 5e, and enter the amount here. Enter zero for any result less than zero

Federal foreign tax credit: If you claim the federal foreign tax credit, Idaho allows that amount as a deduction. Idaho doesn't have a credit that matches the federal foreign tax credit.

Add the amount you claimed for the federal foreign tax credit to your Idaho itemized deductions.

3. Is your earned income* more than \$850?
 - Yes.** Add \$400 to your earned income. Enter the total
 - No.** Enter \$1,250
4. If you can be claimed as a dependent, enter the smaller of lines 1 or 3. If born after January 1, 1959, and not blind, skip to line 6. Otherwise, go to line 5
5. If born before January 2, 1959, or blind, multiply the total number of boxes checked on Form 43, lines 32a and 32b by \$1,500 (\$1,850 if single or head of household)
6. Add lines 4 and 5. Enter the total here and on Form 43, line 36

***Earned income** includes wages, salaries, tips, professional fees, and other compensation received for personal services you performed. It also includes any amount received as a scholarship that you must include in your income. See **Gross Income in General Information**. Generally, your earned income is the total of the amounts you reported on federal Form 1040 or 1040-SR.

Standard Deduction Worksheet

1. Enter the amount shown below for your filing status:
 - Single or married filing separately enter \$13,850
 - Married filing jointly or qualifying surviving spouse enter \$27,700
 - Head of household enter \$20,800
2. Can you be claimed as a dependent?
 - No.** Enter the amount from line 1 on line 4. Skip line 3.
 - Yes.** Go to line 3

Line 38 Idaho Percentage

Divide the amount from line 31, Column B, by the amount from line 31, Column A. Round to four digits to the right of the decimal point. For example .66666 is rounded to .6667 and is entered as 66.67%. The percentage can't exceed 100% or be less than zero. If line 31, Column A is negative and line 31, Column B is positive, the percentage is 100%.

Line 40 Qualified Business Income Deduction

Use the worksheet below to calculate the amount to enter on line 40.

Worksheet

1. Enter the business information in the table below using information from your K-1s and federal Form 8995. Then add your totals for Column (c) and for column (e).

(a) Business name	(b) Taxpayer identification number	(c) Total qualified business income or (loss)	(d) Idaho apportionment factor	(e) Idaho source qualified business income or (loss) (Multiply Column c by Column d)
		Total:		Total:

- | | |
|--|---|
| 2. Divide the total of Column (e) by the total of Column (c) for your Idaho percentage of qualified business income. It can't exceed 100% | 2 |
| 3. Enter the qualified business income deduction you claimed on your federal return | 3 |
| 4. Multiply line 2 by line 3 to calculate your Idaho Qualified business income deduction. Enter the amount from line 4 on Idaho Form 43, line 40 | 4 |

Line 42 Tax

Enter the tax on this line.

Worksheet

1. Enter the amount of Idaho taxable income from Form 43, line 41..... _____
2. Enter the amount shown below for your filing status:
 - Single or married filing separately, enter \$4,489
 - Married filing jointly, head of household, or qualifying surviving spouse, enter \$8,978
3. Subtract line 2 from line 1. Enter the subtotal _____
4. Multiply subtotal by 5.8% _____
5. **Idaho tax.** Enter the total here and on Form 43, line 42 _____

If you don't meet the filing requirement (see page 2) and are filing only to receive a refund of withheld taxes, write "NRF" (Not Required to File) on this line.

Credits

Line 43 Income Tax Paid to Other States

Nonresidents don't qualify for this credit.

Part-year resident: When both Idaho and another state tax the same income while you're an Idaho resident, you may qualify for a credit for tax paid to the other state. Use Form 39NR, Part C, to compute the credit. You must include a copy of the other state's income tax return and Form 39NR. If the credit applies to more than one state, use a separate Form 39NR for each state.

Idaho resident on active military duty: Use Form 39NR, Part D to compute the credit.

Certain part-year residents may qualify for a credit for tax paid to another state by a pass-through entity. If a pass-through entity paid a tax to another state, it should report that information to you.

Line 44 Total Credits for Charitable Contributions and Live Organ Donations

You may qualify for a credit if you donated a qualified organ that's transplanted into another individual, or if you made a contribution to:

- A qualified Idaho educational entity
- Center for independent living
- Youth or rehabilitation facility or its foundation, or
- A nonprofit substance abuse center licensed by the Idaho Department of Health and Welfare

Complete Form 39NR, Part E and see page 51 for specific instructions. Enter the total allowed credit from Form 39NR, Part E, line 4 and include Form 39NR with your return.

Line 46 Idaho Child Tax Credit

Nonresidents don't qualify for this credit. To qualify for the Idaho Child Tax Credit, the child must:

- Be your qualifying child, and
- Be age 16 or under as of December 31, 2023

If you don't have a qualifying child, you can't claim the credit.

For divorced parents or parents who don't live together, the custodial parent claims the qualifying child.

The noncustodial parent may claim the child if:

- A court has awarded the right to claim the child for tax purposes to the noncustodial parent, or
- The custodial parent signs a written declaration that the noncustodial parent can claim the child for the child tax credit

The noncustodial parent must include a copy of the court order or the written declaration with their income tax return.

Idaho part-year residents qualify for the Idaho child tax credit for the part of the year they were an Idaho resident. Compute the prorated credit using the following worksheet.

Note: This credit is limited to your tax liability after any credit for tax paid to other states, grocery credit, and credits from Forms 39NR and 44. See Line 63 Grocery Credit for more limitations to part-year resident grocery credit.

Worksheet

1. Enter the number of months you lived in Idaho (more than 15 days is treated as a full month)
2. Multiply line 1 by \$17.08
3. Multiply line 2 by the number of your qualifying children*
4. Enter the amount from Form 43, line 42 ...
5. Enter the amount from Form 43, line 43 ...
6. Part-year residents: Enter the amount from Form 43, line 63. (See line 63 instructions for calculating the Grocery Credit.)
7. Enter the amount from Form 43, line 44 ...
8. Enter the amount from Form 43, line 45 ...
9. Subtract lines 5 through 8 from line 4. If less than zero, enter zero
10. Enter the lesser of lines 3 or 9 here and on Form 43, line 46

*See federal Form 1040 instructions for more information on qualifying children.

Other Taxes

Line 48 Fuels Tax Due

If you buy gasoline, aircraft fuel, or special fuels (diesel, propane, or natural gas) without paying the fuels tax and later use this fuel in licensed vehicles or aircraft, you owe fuels tax. Add the amounts on Form 75, Section IV, lines 3 and 4, and enter the total. Include Form 75.

Line 49 Sales/Use Tax Due

If you made purchases during the year without paying sales tax, you must pay use tax on these purchases. If you purchased an item from an out-of-state seller (including internet, catalog, radio, and TV purchases) and the seller didn't collect sales tax on that purchase, you must pay use tax directly to the Tax Commission. Multiply the total amount of purchases by 6% (.06). If you computed use tax on Form 75, add it to the use tax on other purchases and enter the total here.

If you have an Idaho sales or use tax account, don't report your sales or use tax on this line, but continue to report the tax on these purchases on your sales and use tax returns.

Line 50 Total Tax from Recapture of Income Tax Credits

If you've claimed Idaho tax credits that no longer qualify, you must compute the tax credit recapture.

Enter the total tax from recapture of income tax credits from Form 44, Part II, line 6. Include Form 44.

Line 51 Tax from Recapture of Qualified Investment Exemption (QIE)

If you've claimed Idaho exemption of property taxes from property that no longer qualifies, you must compute the recapture of the QIE. Include Form 49ER.

Line 52 Permanent Building Fund (PBF) Tax

You must pay the \$10 PBF tax if you're required to file an Idaho income tax return. See **Who Must File** on page 2.

You aren't required to pay the \$10 PBF tax if:

- Your gross income was less than the amount specified for your filing status. Draw a line through the \$10 and enter "NRF" (Not Required to File)
- You were receiving Idaho public assistance payments at the end of the tax year. Check the box on this line and draw a line through the \$10. Food stamps and WIC payments don't qualify as Idaho public assistance
- You (or your spouse) are legally blind at the end of the tax year. Draw a line through the \$10

Donations

The donations on lines 54 through 61 are voluntary and will either reduce your refund or increase the tax due. Once you make the donation, it can't be changed. These donations may be itemized as charitable contribution deductions on your 2024 income tax return. If you have questions about your donations, contact the agencies listed.

If you're filing an amended return, your donations can't be less than the amounts on the original return.

Line 54 Idaho Nongame Wildlife Fund

Contributions are used to ensure the conservation and management of nongame wildlife, rare plants, and their habitats in Idaho, to promote greater awareness of and appreciation for species that aren't hunted, fished, or trapped, and to increase opportunities to view and enjoy "watchable" wildlife. For more information visit the Department of Fish and Game website at idfg.idaho.gov/wildlife/funding or call (208) 334-2920.

Line 55 Idaho Children’s Trust Fund/Prevent Child Abuse Idaho

Contributions are used to protect our children, Idaho’s single greatest resource. The Children’s Trust supports work in communities throughout Idaho to prevent child abuse and neglect before it ever occurs. For more information visit the Idaho Children’s Trust Fund/Prevent Child Abuse Idaho website at idahochildrenstrustfund.org or call (208) 386-9317.

Line 56 Special Olympics Idaho

Contributions provide support for year-round sports training and competition for children and adults with developmental disabilities in Idaho. For more information visit the Special Olympics Idaho website at specialolympicsidaho.org or call (208) 323-0482.

Line 57 Idaho Guard and Reserve Family Support Fund

Contributions are used to assist military reservists and their families to promote the overall readiness for them to support our state and federal missions. For more information visit the Idaho Guard and Reserve Family Support Fund, Inc. website at imd.idaho.gov/igr-family-support or call (208) 801-4225.

Line 58 American Red Cross of Idaho Fund

Contributions prevent and alleviate human suffering in the face of emergencies. For more information visit the American Red Cross website at redcross.org/local/idaho or call (800) 733-2767.

Line 59 Veterans Support Fund

Contributions fund programs that support Idaho veterans. For more information visit the Idaho Division of Veterans Services website at veterans.idaho.gov/publications/idaho-veterans-support-fund or call (208) 780-1300.

Line 60 Idaho Food Bank Fund

Contributions assist Idaho hunger relief organizations in meeting the demand for emergency food for hungry Idaho families, children, and senior citizens. For more information visit the Idaho Food Bank Fund website at idahofoodbankfund.org or call (208) 336-9643.

Line 61 Opportunity Scholarship Program

Contributions help provide need-based scholarship funds to Idaho high school graduates who attend approved higher education institutions within Idaho. For more information visit the Idaho Opportunity Scholarship Program website at boardofed.idaho.gov/scholarships/ldaho-opportunity-scholarship.

Payments and Other Credits**Line 63 Grocery Credit**

Nonresidents don’t qualify for this credit.

You can’t claim this credit if someone else, such as a parent, can claim you as a dependent.

If you’re a part-year resident, you’re eligible for a prorated credit based on the number of months you were domiciled in Idaho during the tax year. For this purpose, more than 15 days of a month is treated as a full month.

The credit allowed for part-year residents can’t be more than the amount on line 42 less line 43. Grocery credit isn’t refunded to part-year residents.

The credit is \$120 each for you, your spouse, and dependents.

You can claim an additional \$20 if you’re age 65 or older on December 31, 2023, and are an Idaho resident. Also, if your spouse is age 65 or older and is an Idaho resident, you can claim an additional \$20.

An individual doesn’t qualify for the credit for any month or part of a month for which that person:

- Received assistance from the federal food stamp program
- Was incarcerated, or
- Lived illegally in the United States

Members of the Armed Forces

A member of the United States Armed Forces who’s domiciled in Idaho is allowed the credit. If you live in Idaho but are a nonresident under the Servicemembers Civil Relief Act, you aren’t allowed the grocery credit.

A spouse or dependent of a nonresident military person stationed in Idaho may be an Idaho resident or part-year resident. The domicile of a dependent child is the same as that of the nonmilitary spouse.

Complete the worksheet and enter the total computed grocery credit on line 63. See the following instructions to donate your credit. If you aren’t donating your credit, enter the computed amount in the column for line 63.

Grocery Credit Worksheet

Yourself:

1. Number of qualified months _____
2. **If 65 or older**, multiply line 1 by \$11.67
If under 65, multiply line 1 by \$10 _____

Spouse (if joint return):

3. Number of qualified months _____
4. **If 65 or older**, multiply line 3 by \$11.67
If under 65, multiply line 3 by \$10 _____

Resident dependents claimed on line 6:

5. Enter \$120 for each dependent who qualifies for the entire year. If a dependent qualifies for only part of the year, compute as follows:
 Number of qualified months _____ x \$10 _____
 Number of qualified months _____ x \$10 _____
 Number of qualified months _____ x \$10 _____
 Number of qualified months _____ x \$10 _____

(If you have more than four dependents, use additional paper to compute.)

Total credit allowed:

6. Add amounts on lines 2, 4, and 5 _____
7. Enter tax. Subtract line 43 from 42 _____
8. Enter the smaller of line 6 or line 7 here and on line 63 _____

Donating Your Grocery Credit

You can donate your entire grocery credit to the Cooperative Welfare Fund. To donate, check the box on line 63 and enter zero (0) in the column for line 63. Once you make the donation, it can't be changed on an amended return.

Line 64 Maintaining a Home for a Family Member Age 65 or Older or a Family Member with a Developmental Disability

Part-year residents and nonresidents don't qualify for this credit.

You can claim a tax credit of \$100 per person (up to \$300) if you maintained a household for immediate family members:

- Age 65 or older (not including yourself or spouse), or
- With a developmental disability (including yourself and spouse), and
- Didn't claim a deduction of \$1,000 per person on Form 39NR, Part B, line 11

If the home was maintained for the family member for less than a full year, the tax credit is allowed at the rate of \$8.33 per month per person. You can claim this credit even if your gross income is less than the filing requirement.

Line 65 Fuels Tax Refund

If you buy special fuels (diesel, propane, or natural gas) with Idaho tax included and use this fuel for heating or in off-highway equipment, you may be eligible for a refund of the Idaho special fuels tax you paid. Enter the amount from Form 75, Section IV, line 2. Include Form 75. Heating fuel generally is purchased without paying the tax.

If you buy gasoline and use it in unlicensed equipment or auxiliary engines, you may be eligible for a refund of the Idaho gasoline tax you paid. Enter the amount from Form 75, Section IV, line 1. Include Form 75.

Line 66 Idaho Income Tax Withheld

Enter the total amount of Idaho income tax withheld. Include legible state copies of Form W-2s, 1099s, and other information forms that show Idaho withholding.

Don't claim credit for tax withheld for other states or federal tax withheld.

Don't include Form W-2s from other tax years or write on or change the amounts on your Form W-2s.

Line 67 Form 51 Payments

Enter the total payments you made with Form 51s on or before the due date. Include the amount of overpayment applied from your 2022 return.

Line 68 Paid by Entity/Withheld/Affected Business Entity (ABE)

- Enter on the paid by entity line any amount reported on Form ID K-1, Part XI, line 57
- Enter on the withheld line the amount of withholding reported on Form ID K-1, Part V, line 35
- Enter the amount of tax paid by the ABE reported on Form ID K-1, Part XI, line 58
- Include a copy of Form ID K-1s with your income tax return

Line 69

Tax Reimbursement Incentive Credit. Enter the total credit allowed from the Idaho Reimbursement Incentive Certificate. Include a copy of the certificate with the return.

Claim of Right Credit. If you claimed a deduction or credit on your federal return for claim of right, complete Idaho Worksheet CR to determine which option benefits you most on your Idaho return. See Claim of Right Worksheets at tax.idaho.gov/taxes/income-tax/individual-income/popular-credits-and-deductions/claim-of-right-income-repayments.

Tax Due or Refund

Line 72 Penalty and Interest

Idaho law provides penalties for not filing tax returns by the due date, not paying tax due on time, and not prepaying enough on extension returns. For more information or to calculate a penalty, see our *Penalties and Interest* page at tax.idaho.gov/penalties.

Interest. We charge interest on the amount of tax due, line 71, from the original due date until paid. The rate for 2024 is 6%.

Idaho Medical Savings Account. If you make an Idaho medical savings account withdrawal that's taxable and you're under age 59 1/2, the withdrawal is subject to penalty. The penalty is 10% of the amount withdrawn. Check the box and enter the amount here.

Line 73 Nonrefundable Credit From a Prior Year Return

If you were denied a refund from an overpayment of tax on a prior year return because of the three-year statute of limitations, you may be eligible to take a credit for the amount. See Idaho Form 44 for calculation of your credit and include it with your return.

Line 74 Total Due

Enter the amount you owe. If your payment includes amounts for penalty and interest, include those amounts in the figure you enter on this line.

Don't send cash. Payments of less than \$1 aren't required. We charge a \$20 fee on all returned checks.

Electronic payments. There's no fee to pay by ACH Debit. Our third-party provider charges a convenience fee when you pay by credit card or e-check. We accept American Express®, Discover®, MasterCard®, and Visa®. For more information, visit our *E-Pay* page at tax.idaho.gov/epay.

Check payments. Make your check or money order payable to the Idaho State Tax Commission. Be sure to write your Social Security number on it,

and include it with your return. Don't staple your check to your return or send a check stub.

Line 76 Refund/Apply to 2024

Refund

Enter the amount of your overpayment from line 75 that you want refunded to you. Refunds of less than \$1 won't be issued. You have three years from the return's due date (not including extensions) to claim a refund. Refunds will be reduced by unpaid Idaho tax liabilities and can be applied to unpaid liabilities owed to other agencies.

The agency or party seizing the refund must send you notice of the action. Questions about a refund seizure should be directed to the agency or party that initiated the claim for seizure.

Apply to 2024

If you're filing an original return, subtract the amount you want to refund from line 75. Any difference will be applied to your 2024 tax and won't be refunded.

Line 77 Direct Deposit

Complete line 77 if you want us to deposit your refund directly into your bank or Idaho 529 College Savings (IDeal) account instead of mailing you a check.

If your refund is being forwarded from a United States financial institution to a financial institution or financial agency located outside of the United States, check the box on line 77. If after filing your Idaho income tax return you become aware that your electronic refund payment will be electronically deposited in a financial institution or financial agency located outside of the United States, please notify us at:

Idaho State Tax Commission
PO Box 56
Boise ID 83756-0056

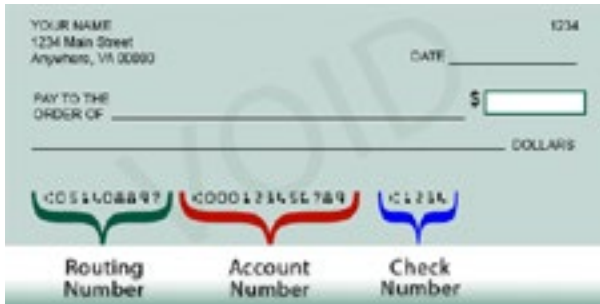
Contact your bank to make sure your deposit will be accepted and that you have the correct routing and account numbers.

Enter your nine-digit routing number. The routing number must begin with 01 through 12 or 21 through 32 for bank accounts. For all IDeal accounts, the routing number is 011001234.

Enter the account number you want your refund deposited into. The account number can be up to 17 characters (both numbers and letters). For IDeal accounts, the account number will be 541 plus the 11-digit IDeal account number.

Don't include hyphens, spaces, or special symbols. Enter the number left to right and leave any unused boxes blank.

Check the appropriate box for account type. Check **either** checking or savings, but not both. For IDEal accounts, check the box for checking.



The check example above indicates where the proper banking information is located. To locate your IDEal account number, log into your account at www.idsaves.org or call (866) 433-2533 for assistance. You're responsible for the accuracy of this information.

If your financial institution rejects your request for direct deposit, you'll receive a check by mail instead.

Note: An IDEal account has a maximum balance limit of up to \$350,000 for each beneficiary.

Amended Return Only

Complete lines 78 through 81 only if you're filing this return as an amended return.

Line 78 Total Due or Overpaid

If the total due shown on line 74 is greater than zero, enter it here as a positive amount.

If line 74 is zero, enter the amount of overpayment that's shown on line 75 here as a negative amount.

Line 79 Refund from Original Return Plus Additional Refunds

Enter the total refund amount from previous returns for this tax year here as a positive amount.

Line 80 Tax Paid with Original Return Plus Additional Tax Paid

Enter the total due paid from previous returns for this tax year here as a positive amount. Don't include penalty, interest, Form 51 estimated payments, withholding, or unpaid tax.

Line 81 Amended Tax Due or Refund

Add lines 78 and 79 then subtract line 80. A positive amount is your amended tax due. A negative amount is your amended refund.

Tax Preparer Contact Box

This box applies only if you paid a tax preparer to complete your return. If you check the box, you're authorizing the Tax Commission to discuss your return with the paid preparer identified on the return.

You're also authorizing the paid preparer to:

- Give the Tax Commission any information that's missing from your return, and
- Call the Tax Commission for information about the processing of your return or the status of your refund or payments

You're not authorizing the paid preparer to receive any refund check, bind you to anything including any additional tax liability, or otherwise represent you before the Tax Commission.

This authorization is valid for up to 180 days from the date the Tax Commission receives the return. If you want the Tax Commission to contact you rather than your preparer, leave the box blank.

Signatures

Who must sign the return?

- You
- Your spouse (if filing a joint return)
- A paid preparer (if used). Include preparer's name, address, and identification number
- An authorized person signing for a deceased individual or an individual unable to sign. Include the authorized person's relationship to the taxpayer. Write "FILING AS SURVIVING SPOUSE" or "UNABLE TO SIGN" in the signature space
- If a taxpayer signs with an "X," this mark must be witnessed
- Not signing the return will delay processing

Complete Form 39R if you're filing Form 40. If you're filing Form 43, complete Form 39NR.

Line 2 Capital Loss Carryover

If you claimed a capital loss or carryover from activities not taxable by Idaho or before you became an Idaho resident, enter the amount used in calculating your net capital gain or loss reported on your federal Schedule D.

Use the worksheet below to calculate your Idaho capital gain (loss) and capital loss carryover.

Part A — Additions

Line 1 Federal Net Operating Loss (NOL) Deduction

Generally the allowable federal NOL carryover isn't the same amount allowed on the Idaho return. Enter any NOL carryover included on your federal return. You'll claim the allowable Idaho NOL carryover as a subtraction on Part B, line 1.

Tax Year _____ Idaho Capital Gain or Loss Adjustment Worksheet Schedule D

Don't complete this worksheet if all of your Idaho gains (losses) are the same as your federal gains (losses).

List the Form 1099-B transactions reported on federal Schedule D, Part I lines 1a through 3 and Part II, lines 8a through 10 that you sold after you became an Idaho resident. If you don't have any Form 1099-B transactions for the current tax year, go to line 2.

(a) Description of property Example: 100 shares of "XYZ" Co.	(b) Date acquired (mm/dd/yyyy)	(c) Date sold (mm/dd/yyyy)	(d) Sales price	(e) Cost or other basis	(f) Gain or (loss)

If you have additional transactions, list on a Supplemental Schedule and enter the total gain or (loss) in column (f).

1. Total gain/(loss)	1	
2. Enter the total gain/(loss) amounts that are Idaho-source on the following lines:		
a. Schedule D, Line 4 _____		
b. Schedule D, Line 5 _____		
c. Schedule D, Line 11 _____		
d. Schedule D, Line 12 _____		
Combine the amounts from a, b, c, and d. Enter the total amount	2	
3. Enter the total capital gain distributions (federal Form 1099-DIV, box 2a) you received as an Idaho resident	3	
4. Idaho capital loss carryover from prior year, if any	4	
5. Tax year _____. Total Idaho gain (loss). Combine lines 1, 2, 3, and 4. If a (loss), go to line 6. If a gain, go to line 7	5	
6. Enter the smaller loss of: (a) the (loss) on line 5; or (b) (\$3,000) for married, qualifying widow(er) or head of household. (\$1,500) if single or married filing separately	6	
7. Enter the Idaho gain from line 5 or (loss) from line 6	7	
8. Enter the (loss - if any) from federal Form 1040 or 1040-SR, line 7. If no loss is reported, enter zero	8	
9. Subtract line 8 from line 7. Enter the difference here and on Form 39R, Part A, line 2	9	

Idaho Capital Loss Carryover Worksheet

Tax Year _____

If the line 5 loss from the Idaho Capital Gain or Loss Adjustment Worksheet is more than (\$3,000) or (\$1,500 for MFS and Single), subtract line 6 from line 5. This is your Idaho capital loss carryover _____

Keep these worksheets for your records.

Example: For the current tax year you reported capital loss carryovers totaling \$40,000 that were incurred before moving to Idaho. These are used to offset \$26,000 of Idaho capital gains earned in the current year, resulting in a capital loss of \$3,000 allowed on the federal return. For the current tax year, you must add back \$29,000 on line 2 (\$26,000 gain offset plus \$3,000 loss allowed). The remainder of the \$11,000 loss carryover must be added back in future years to the extent allowed as a loss and used to offset gain.

Line 3 Non-Idaho State and Local Bond Interest and Dividends

Enter the amount of interest and dividends, less the related expenses, you received from municipal bonds of other state governments, including their counties or cities or from obligations of any foreign country. This income isn't reported on your federal return.

This includes your distributive share of interest and dividends not taxable under the IRC from Form ID K-1, Part IV, Column B, line 21. Don't include the interest income from Idaho municipal securities reported on Form ID K-1, Part IV, Column B, line 24.

Line 4 Idaho College Savings Account Withdrawal

If you made a nonqualified withdrawal from an Idaho college savings account, enter the amount withdrawn less any amounts reported on your federal Form 1040 or 1040-SR.

Include withdrawals from Idaho college savings programs that were transferred to a qualified program operated by another state or a qualified Achieving a Better Life Experience (ABLE) program. The amount added back is limited to your contributions deducted in the year of transfer and the previous tax year.

Line 5 Bonus Depreciation

If you claimed bonus depreciation for federal purposes for property acquired before 2008 or after 2009:

- Complete a separate federal Form 4562 or detailed computation for Idaho depreciation purposes as if the special depreciation allowance hadn't been claimed
- Compute the Idaho adjusted basis and any gains or losses from the sale or exchange of the property using the Idaho depreciation amounts
- If the federal depreciation (including gains and losses) is more than the Idaho depreciation (including Idaho gains and losses), include the difference on this line; otherwise, enter the difference on Part B, line 21

Include on this line your distributive share of bonus depreciation from Form ID K-1, Part IV, Column B, line 22.

Don't enter any amounts for property acquired during 2008 and 2009.

If you have a current year loss limitation for the following:

- At Risk (IRC Section 465)
- Passive Loss (IRC Section 469)
- Partnership Basis (IRC Section 704(d))
- Shareholder Basis (IRC Section 1366(d))

Check the box and include Form DBDA.

Line 6 Other Additions

Retirement Plan Lump-sum Distributions

Enter the taxable amount of a lump-sum distribution from a retirement plan reported on federal Form 4972. The amount taxable by Idaho includes the ordinary income portion and the amount eligible for the federal capital gain election.

Partner and Shareholder Additions

Include on this line the state, municipal, and local income tax additions from Form ID K-1, Part IV, Column B, line 20 and the other additions from Form ID K-1, Part IV, Column B, line 23.

Idaho Medical Savings Account Withdrawals

If you withdraw funds from an Idaho medical savings account and don't use the funds to pay eligible medical expenses, Idaho taxes the withdrawal. Report this amount as an other addition. Eligible medical expenses include medical care, vision care, dental care, medical insurance premiums, and long-term care expenses.

If you make a taxable withdrawal and you're under age 59 1/2, penalty applies to the withdrawal. The penalty is 10% of the amount withdrawn. Report the penalty on Form 40, line 52, and check the box for an unqualified withdrawal.

First-time Home Buyer Savings Account Withdrawals

If you withdraw funds from an Idaho first-time home buyer savings account and don't use the funds to pay eligible home costs, Idaho taxes the withdrawal. Report this amount as an other addition. Eligible home costs include:

- Down payment for the purchase of an Idaho home
- Costs, fees, taxes, or payments for the purchase of an Idaho home

Non-Idaho Passive Losses

If you claimed a passive loss that was incurred from activities not taxable by Idaho or before you became an Idaho resident, enter the amount reported on your federal return.

Emergency Rental Assistance

Include on this line any amounts excluded from taxable income for funds received according to the emergency rental assistance program established under Public Law 116-260 for COVID relief.

Part B — Subtractions

Line 1 Idaho Net Operating Loss (NOL) Carryover and Carryback

Enter the Idaho NOL carryover. Include Form 56 or a schedule showing the application of the loss.

If this is an amended return to claim an NOL carryback, enter the amount of the NOL carryback. Include Form 56 or a schedule showing the application of the loss.

Enter the total of the NOL carryover and carryback amounts.

Line 2 State Income Tax Refund

If you itemized your deductions on federal Form 1040, enter the amount of all state income tax refunds and state tax rebates included in income on federal Schedule 1, line 1.

Line 3 Interest from U.S. Government Obligations

Idaho doesn't tax interest income you received from U.S. government obligations. Deduct any U.S. government interest included in federal adjusted

gross income, Form 40, line 7. Examples of U.S. government obligations include:

- Banks for Cooperatives
- Federal Farm Credit Banks
- Federal Financing Bank
- Federal Homeowners Loan Bank
- Federal Intermediate Credit Bank
- Federal Land Bank
- Guam
- Puerto Rico
- Student Loan Marketing Association
- Tennessee Valley Authority Bonds
- Territory of Alaska
- Territory of Hawaii
- Territory of Samoa
- U.S. Series EE and HH Bonds
- U.S. Treasury Bills and Notes
- Virgin Islands

Idaho taxes interest income received from the Federal National Mortgage Association (FNMA) and the Government National Mortgage Association (GNMA).

If you have interest income from a mutual fund that invests in both nonexempt securities and exempt U.S. government securities, you can deduct the portion of the interest that's attributable to direct U.S. government obligations. This amount must be identified by the mutual fund to be deductible.

This includes your distributive share from Form ID K-1, Part IV, line 25.

Line 4 Energy Efficiency Upgrade

To qualify for this deduction, your Idaho residence must have existed, been under construction or had a building permit issued on or before January 1, 2002, and must be your primary residence.

Energy efficiency upgrade means an energy efficiency improvement to your residence's envelope or duct system that meets or exceeds the minimum value for the improved component established by the version of the International Energy Conservation Code (IECC) in effect in Idaho during the tax year when the improvement is made. Contact the Idaho Division of Building Safety at dbs.idaho.gov for more information.

Examples of energy efficiency upgrades include:

- Insulation that's added to existing insulation. Insulated siding doesn't qualify unless the

cost of the siding and the insulating material is stated separately. The cost of the insulating material is the only thing that qualifies.

- Windows that replace less efficient existing windows.
- Storm windows.
- Weather stripping and caulking.
- Duct sealing and insulation. Duct sealing requires mechanical fastening of joints and mastic sealant.

The amount charged for labor to install the energy efficiency upgrades also is deductible.

Enter the energy efficiency upgrade installed in your Idaho residence. If you have more than one, enter multiple. Enter the total amount on line 4.

Line 5 Alternative Energy Device Deduction

If you install an alternative energy device in your Idaho residence, you can deduct a portion of the amount actually paid or accrued (billed but not paid).

In the year the device is placed in service, you can deduct 40% of the cost to construct, reconstruct, remodel, install, or acquire the device, but not more than \$5,000.

In the next three years after installation, you can deduct 20% of these costs per year, but not more than \$5,000 in any year.

Qualifying devices include:

- A system using solar radiation, wind, or geothermal resource primarily to provide heating or cooling or produce electrical power or any combination thereof
- A fluid-to-air heat pump operating on a fluid reservoir heated by solar radiation or geothermal resource but not an air-to-air heat pump unless it uses geothermal resources as part of the system
- A natural gas or propane heating unit that replaces a noncertified wood stove
- An Environmental Protection Agency (EPA)-certified wood stove or pellet stove meeting the most current industry and state standards that replaces a noncertified wood stove

A noncertified wood stove is a wood stove that doesn't meet the most current EPA standards. You must take the noncertified wood stove to a site authorized by the Idaho Division of Environmental Quality (DEQ) within 30 days from the date of

purchase of the qualifying device. The DEQ will give you a receipt to verify it received and destroyed the noncertified wood stove.

You must install the natural gas or propane heating unit or the EPA-certified wood stove or pellet stove in the same tax year that you surrender the nonqualifying wood stove to the DEQ.

Lines 5a – 5d

Complete the lines that apply to the year you acquired the device. For example, if you acquired the device in 2020, complete line 5d. Enter the device type and total cost. Multiply the total cost by the appropriate percentage. Line 5e can't be more than \$5,000.

Line 6 Child and Dependent Care

If you claimed the federal Credit for Child and Dependent Care Expenses, you're allowed an Idaho deduction for the child care expenses you paid for the care of your dependents. The Idaho deduction is a different amount than the federal credit.

Complete this worksheet to determine your Idaho child or dependent care deduction. Refer to federal Form 2441 to determine amounts to enter on lines 1 through 6.

Worksheet

1. Enter the amount of qualified expenses you incurred and paid in 2023. Don't include amounts paid by your employer or excluded from taxable income _____
2. Enter \$12,000 for one or more child or dependent cared for during the year _____
3. Enter excluded benefits from Part III of Form 2441 _____
4. Subtract line 3 from line 2. If zero or less, stop. You can't claim the deduction _____
5. Enter your earned income _____
6. If married filing a joint return, enter your spouse's earned income. All others enter the amount from line 5 _____
7. Enter the smallest of lines 1, 4, 5, or 6 here and on Form 39R, Part B, line 6 _____

Include federal Form 2441, *Child and Dependent Care Expenses*, with your return.

Line 7 Social Security and Railroad Benefits

Idaho doesn't tax Social Security benefits, benefits paid by the Railroad Retirement Board, or Canadian

Social Security benefits (OAS, QPP or CPP) that are taxable on your federal return.

Exempt payments from the Railroad Retirement Board include:

- Retirement, supplemental, and disability annuities
- Unemployment and sickness benefits

Enter the taxable amount of Social Security benefits from Form SSA-1099 or Social Security equivalent railroad benefits from Form RRB-1099 included on your federal Form 1040 or 1040-SR, line 6b. Don't enter the amount reported on Form 1040 or 1040-SR, line 6a.

Enter the taxable amount of non-Social Security equivalent railroad benefits from Form RRB-1099R included on your federal Form 1040 or 1040-SR, line 5b. Don't enter the amount reported on Form 1040 or 1040-SR, line 5a.

If subtracting benefits from the Railroad Retirement Board, you must include Form RRB-1099 or RRB-1099-R with your return.

Disability pension paid by the Federal Railroad Retirement Act may be included as wages on Form 1040 or 1040-SR, line 1 if you're under the minimum retirement age.

Line 8 Retirement Benefits Deduction for Qualified Retirement Benefits

You may be able to deduct some of the qualifying retirement benefits and annuities you receive.

The Idaho Retirement Benefits Deduction has a two-part qualification. You must qualify for **both parts** to receive this deduction.

Part One – Age, Disability, and Marital/Filing Status

The recipients must be at least age 65 or be classified as disabled and be at least age 62.

The following individuals are classified as disabled:

- An individual recognized as disabled by the Social Security Administration, the Railroad Retirement Board, or the Office of Management and Budget
- A veteran of a U.S. war with a service-connected disability rating of 10% or more
- A veteran of a U.S. war with a nonservice-connected disability pension
- A person who has a physician-certified permanent disability with no expectation of improvement

If you're married, you can't claim this deduction if you file separately. If you're an unremarried widow or widower of a pensioner and receive qualifying survivor benefits, you may be eligible to claim the retirement benefit deduction if you meet the age/disability requirements.

Part Two – Qualified Retirement Benefits

The recipients must meet the requirements in Part One, **and** their qualified retirement benefits must be one of the following:

- **Civil Service Employees:** Retirement annuities paid by the United States of America Civil Service Retirement System (CSRS), the Foreign Service Retirement and Disability System (FSRDS), or the offset programs of these two systems. To qualify for the deduction, the employee must have established eligibility before 1984. Retirement annuities paid to a retired federal employee under the Federal Employees Retirement System (FERS) don't qualify for the deduction. If you received a CSA-1099, you can tell if your benefits are paid under the CSRS or FERS by looking at the first digit of the account number shown on your CSA-1099. If the first digit is 7 or 9, the benefits are paid out of FERS and don't qualify. If the first digit is 8, look at your Notice of Annuity Adjustment from the Office of Personnel Management. The notice shows how much of your benefits are paid from CSRS and how much are paid from FERS. Only the portion paid from CSRS qualifies for this deduction. If the first digit is 0, 1, 2, 3, or 4, the benefits are paid out of CSRS.
- **Idaho Firefighters:** Retirement benefits paid by the Public Employee Retirement System of Idaho (PERSI) relating to the Firemen's Retirement Fund. If you received a 1099R and your account number includes the FRF (Firemen's Retirement Fund) designation, your benefits may qualify for the deduction. Benefits paid out of the PERSI Base Plan don't qualify for the deduction.
- **Police Officers of an Idaho City:** Retirement benefits paid from the Policemen's Retirement Fund that no longer admits new members and, on January 1, 2012, was administered by an Idaho city or PERSI. Also, benefits paid by PERSI relating to Idaho police officer employment not included in the federal Social Security retirement system. For example, benefits paid out of the city police retirement

funds for the cities of Coeur d’Alene, Lewiston, and Pocatello may qualify for the deduction. Similarly, benefits paid by PERSI relating to the old Idaho Falls Policemen’s Retirement Fund may qualify for the deduction. If you received a 1099R and your account number includes the IFP (Idaho Falls Police) designation, your benefits may qualify for the deduction. Benefits paid out of the PERSI Base Plan don’t qualify for the deduction.

- **Service Members:** Retirement benefits paid by the United States to a retired member of the U.S. military.

Disability pension paid by the Federal Railroad Retirement Act may not be included on your Form RRB-1099 or RRB-1099-R, if you’re under the minimum retirement age. Instead it may be included on Form 1040 or 1040-SR, line 1 as wages.

Line 8a The maximum amounts that can be deducted for 2023 are:

Married filing jointly:

- Recipient age 65 or older \$65,286
- Recipient age 62 or older and disabled ... \$65,286

Single:

- Age 65 or older \$43,524
- Age 62 or older and disabled \$43,524

These amounts must be reduced by retirement benefits received by you and your spouse under the Federal Social Security Act and the Federal Railroad Retirement Act.

The amount deducted can’t be more than the amount of qualified benefits included in federal income.

Line 8b. Enter the amount of retirement benefits you (and your spouse) received under the Federal Railroad Retirement Act.

Include on this line:

- The net Social Security equivalent benefit portion from federal Form RRB-1099, Box 5
- The “total gross paid” amount from federal Form RRB-1099-R, Box 7, minus any repayment from Box 8; and
- Any railroad retirement disability benefit included as wages on federal Form 1040 or 1040-SR, line 1

Line 8c. Enter the amount of retirement benefits you (and your spouse) received under the Federal Social Security Act, Box 5 of your Form SSA-1099s. If you

or your spouse received Canadian Social Security benefits that you included in your federal taxable income, include those amounts received.

Line 9 Technological Equipment Donation

Enter the lesser of cost or fair market value of technological equipment donated to one or more of the following Idaho educational institutions or libraries located in Idaho:

- Public or nonprofit private elementary or secondary school
- Public or nonprofit private college or university
- Public library or library district

Items that qualify for this deduction are limited to computers, computer software, and scientific equipment or apparatus manufactured within five years of the date of donation. The amount deducted can’t reduce Idaho taxable income to less than zero. Any unused deduction can’t be carried to another year.

Include your distributive share from the appropriate column of Form ID K-1, Part IV, line 26. The deduction from a pass-through entity can’t be more than the amount of pass-through income minus deductions of the entity making the contribution.

Line 10 Idaho Capital Gains Deduction

You may be able to deduct 60% of the capital gain net income reported on federal Schedule D from the sale of qualified Idaho property described below.

- Real property held for at least 12 months, or
- Tangible personal property used in a revenue-producing enterprise and held for at least 12 months. A revenue-producing enterprise means:
 - Producing, assembling, fabricating, manufacturing, or processing any agricultural, mineral, or manufactured product
 - Storing, warehousing, distributing, or selling at wholesale any products of agriculture, mining, or manufacturing
 - Feeding livestock at a feedlot
 - Operating laboratories or other facilities for scientific, agricultural, or animal husbandry, or industrial research, development, or testing
- Cattle and horses held for at least 24 months and other livestock used for breeding held for at least 12 months
- Timber held for at least 24 months
- Certain sales of partnership interests. See Idaho Code 63-3022H(3)(f) for more information.

Note: Gains from the sale of stocks and other intangibles don't qualify.

Complete Idaho Form CG to compute your capital gains deduction.

Line 11 Active Duty Military Pay Earned Outside of Idaho

If you're serving in the United States military on active duty that's continuous and uninterrupted for 120 days, Idaho doesn't tax your active duty military wages for service outside of Idaho. The continuous 120 days don't have to be in the same tax year. Enter your nontaxable military wages.

Don't include military wages earned while stationed in Idaho. Your W-2 doesn't show this amount separately, and you may have to compute the amount of income earned outside of Idaho. You should see your unit of assignment or use your orders in making the computation. Include a copy of your worksheet.

National Guard or Reserve pay, including annual training pay, generally doesn't qualify as active duty pay unless you've been called into full-time duty for 120 days or more. If you're a commissioned officer of the Public Health Service or of the National Oceanic and Atmospheric Administration militarized by the President of the United States and attached to the armed forces, your active duty military wages earned outside Idaho qualify for this deduction. Enter these wages on this line.

Line 12 Adoption Expenses

If you adopt a child, you can deduct some of the expenses incurred in the adoption. You can claim legal and medical expenses incurred up to a maximum of \$10,000 per adoption. Travel expenses don't qualify. If you incur expenses in two or more years, deduct the costs in the year paid until you meet the \$10,000 limit. The expenses related to an unsuccessful attempt to adopt aren't deductible. If you claim expenses in a year before such a determination, file an amended return to add back any deduction claimed for the unsuccessful attempt.

Line 13 Idaho Medical Savings Account Contributions and Interest

You can contribute up to \$10,000 (\$20,000 if married filing a joint return) to an Idaho medical savings account and deduct the contribution. Deductible contributions don't include reimbursements that were redeposited into your Idaho medical savings account. Don't include

amounts deducted on federal Form 1040 or 1040-SR.

An Idaho medical savings account is generally established with a bank, savings and loan, or credit union. The account is established to pay eligible medical expenses of the account holder and the account holder's dependents.

Include interest earned on the account on line 13 but only if included on Form 40, line 7. Add your qualifying contributions to the interest earned on the account. Enter the name of the financial institution and your account number in the spaces provided.

Line 14 Idaho College Savings Program

You can deduct up to \$6,000 (\$12,000 if married filing a joint return) per year in contributions to accounts in the Idaho College Savings Program (IDeal). Contributions to an out-of-state qualified tuition program aren't eligible for the deduction. Designate the account owner and beneficiary at the time you establish the account. The account owner can make withdrawals for a qualified eligible education expense for the beneficiary as provided in 26 U.S.C. section 529. The person who withdraws the funds must report the amounts withdrawn as income. More information is available at idsaves.org or by calling (866) 433-2533.

Line 15

Home for the Aged

You can deduct \$1,000 for each family member, not including yourself or your spouse, who:

- Is age 65 or older
- You maintain a household for, and
- You provide more than one-half of the family member's support for the year

Developmentally Disabled

You can deduct \$1,000 for each family member, including yourself and your spouse, who:

- Is developmentally disabled
- You maintain a household for, and
- You provide more than one-half of the family member's support for the year

No more than three deductions of \$1,000 are allowed. If you claim this deduction, you can't claim the \$100 credit in Part E.

Developmental disability means a chronic disability that:

- Is attributable to an impairment such as:
 - Intellectual disability
 - Cerebral palsy

- Epilepsy
- Autism
- Other condition found to be closely related to or similar to, one of these impairments, and
- Results in substantial functional limitation in three or more of the following areas of life activity:
 - Self-care
 - Receptive and expressive language
 - Learning
 - Mobility
 - Self-direction
 - Capacity for independent living
 - Economic self-sufficiency, and
- Reflects the need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services which are of lifelong or extended duration and individually planned and coordinated.

If you maintain the home for the family member for less than a full year, the deduction is allowed at the rate of \$83.33 for each month the home was maintained.

A family member is any person who meets the relationship test to be claimed as a dependent on income tax returns. Refer to the federal Form 1040 instructions for more information.

Maintaining a household means paying more than one-half of the expenses incurred for the benefit of all the household's occupants. Social Security benefits aren't support provided by you but must be included in the computation of total support provided. Some examples of expenses of maintaining a household include:

- Property taxes
- Mortgage interest
- Rent
- Utility charges
- Upkeep and repairs
- Property insurance, and
- Food consumed on the premises

Line 16 Idaho Lottery Winnings

You can deduct Idaho lottery prizes of less than \$600 per prize included in federal adjusted gross income on Form 40, line 7. You can't deduct lottery prizes from other states.

Line 17 Income Earned on a Reservation by an American Indian

You can deduct all your income from working on the reservation only when all these criteria are met:

- You're enrolled in a federally recognized tribe
- You live and work on the reservation
- The income is included on Form 40, line 7 of your tax return

If you have no other income, you aren't required to file.

Income earned off the reservation can't be deducted. Income earned on the reservation can't be deducted if you live off the reservation.

Line 18 Health Insurance Premiums

Deduct premiums you paid for health insurance for yourself, your spouse, and your dependents if those premiums haven't already been deducted or excluded from your income.

If you claimed a deduction for health insurance premiums on your federal Form 1040 or 1040-SR, Schedule A, use the worksheet on page 35 to calculate the deduction allowed for health insurance premiums. The worksheet follows the priority that itemized deductions first apply to health insurance premiums then to long-term care insurance.

Idaho Medical Savings Account

If you take money out of your Idaho medical savings account to pay medical insurance premiums, no deduction is allowed. Since the health insurance costs are already deducted or accounted for, they can't be deducted a second time.

Salary Reduction Plans

Premiums paid through a cafeteria plan or other salary-reduction arrangement can't be included in the Idaho deduction for health insurance costs. For example, if your health insurance payments are deducted from your paycheck pretax, they don't qualify for the deduction.

Business Deductions

Premiums deducted as a business expense can't be included in the Idaho deduction for health insurance costs, since these amounts are already deducted. This includes amounts of self-employed health insurance premiums deducted in arriving at federal adjusted gross income.

Social Security Medicare A and B

No deduction is allowed for the amount paid for employer-required Social Security Medicare A. This is the amount listed as a deduction on almost every federal Form W-2.

If you voluntarily enroll in Medicare B or Medicare D or aren't covered under Social Security and voluntarily enroll in Medicare A, you can deduct the premiums you paid.

Idaho Standard Deduction

If you use the Idaho standard deduction instead of itemizing your deductions for Idaho purposes, you don't have to reduce your health insurance costs by any amount claimed as a federal itemized deduction.

Federal Itemized Deduction Limitations

Reduce the amount of medical expenses allowed as a deduction on federal Form 1040 or 1040-SR, Schedule A, by 7.5% of adjusted gross income.

Line 19 Long-term Care Insurance

You can deduct the amount you paid in premiums for qualified long-term care insurance that isn't otherwise deducted or accounted for. If you claimed a deduction for long-term care insurance on your federal Form 1040 or 1040-SR, Schedule A, use the following worksheet to calculate the long-term care insurance allowed as a deduction.

Qualified long-term care insurance includes any insurance policy that provides coverage for at least 12 consecutive months for yourself, your spouse, or your dependents for one or more necessary diagnostic, preventive, therapeutic, rehabilitative, maintenance, or personal care services provided in a setting other than an acute care unit of a hospital. Group and individual annuities and life insurance policies that directly provide or supplement long-term care insurance qualify. This includes a policy that provides for payment of benefits based on cognitive impairment or loss of functional capacity.

Qualified long-term care insurance doesn't include any insurance policy that's offered primarily to provide coverage for:

- Basic Medicare supplement
- Basic hospital expense
- Basic medical surgical expense
- Hospital confinement indemnity
- Major medical expense
- Disability income or related asset protection
- Accident only
- Specified disease or specified accident, or
- Limited benefit health

Life insurance policies that accelerate death benefits generally don't qualify.

Worksheet

The following worksheet shows how the federal limitation affects the amount of health insurance costs deductible for Idaho purposes.

If you aren't itemizing deductions for Idaho, skip lines 1-6 and enter zeros on lines 8, 12, and 13.

Health Insurance and Long-term Care Insurance Deduction Limitations

1. Amount claimed for health insurance costs on federal Form 1040 or 1040-SR, Schedule A _____
2. Amount claimed for long-term care insurance on federal Form 1040 or 1040-SR, Schedule A _____
3. Additional medical expenses claimed on federal Form 1040 or 1040-SR, Schedule A _____
4. Total medical expenses. Add lines 1, 2, and 3 _____
5. Enter 7.5% of federal adjusted gross income _____
6. Medical expense deduction allowed on federal Form 1040 or 1040-SR, Schedule A. (Subtract line 5 from line 4. If less than zero, enter zero.) _____

Health Insurance

7. Enter the total paid for health insurance _____
8. Portion of health insurance deduction allowed on federal Form 1040 or 1040-SR, Schedule A. Enter the lesser of lines 1 or 6 _____
9. Enter the total health insurance costs deducted elsewhere on the federal return _____
10. Idaho health insurance deduction allowed. Subtract lines 8 and 9 from line 7. Enter this amount on Form 39R, line 18 _____

Long-term Care Insurance

11. Enter the total paid for long-term care insurance _____
12. Medical expense deduction not allocated to health insurance costs. Subtract line 1 from line 6. If less than zero, enter zero _____
13. Portion of long-term care insurance deduction allowed on federal Form 1040 or 1040-SR, Schedule A. Enter the lesser of lines 2 or 12 _____

- 14. Enter the total long-term care insurance costs deducted elsewhere on the federal return _____
- 15. Long-term care insurance deduction allowed. Subtract lines 13 and 14 from line 11. Enter the amount on Form 39R, line 19 _____

Line 20 Workers' Compensation Insurance

A self-employed individual can deduct the actual amount paid for workers' compensation insurance coverage in Idaho, if the cost isn't deducted elsewhere.

Line 21 Bonus Depreciation

If you claimed the bonus depreciation for federal purposes for property acquired before 2008 or after 2009:

- Complete a separate federal Form 4562 or detailed computation for Idaho depreciation purposes as if the special depreciation allowance hadn't been claimed
- Compute the Idaho adjusted basis and any gains or losses from the sale or exchange of the property using the Idaho depreciation amounts
- If the federal depreciation (including gains and losses) is less than the Idaho depreciation (including gains and losses), include the difference on this line; otherwise, enter the difference on Part A, line 5

Include on this line your distributive share of bonus depreciation from Form ID K-1, Part IV, Column B, line 27.

Don't enter any amounts for property acquired during 2008 and 2009.

Line 22 First-time Home Buyer Savings Account

You can contribute up to \$15,000 (\$30,000 if married filing a joint return) to a first-time home buyer savings account and deduct the contribution. Deposits into a first-time home buyer savings account can't exceed \$100,000 for the lifetime of the account.

A first-time home buyer savings account is established in Idaho with a bank, savings and loan association, credit union, or trust company authorized to act as a fiduciary. The account is established to pay the eligible home costs of the account holder or to reimburse the account holder's eligible home costs in connection with a qualified home purchase.

Include interest earned on the account on line 22 but only if included on Form 40, line 7. Interest earned on the account is tax deferred if the funds are used for a qualified home purchase. Enter the name of the financial institution and your account number in the spaces provided.

Check the box to attest that you're a first-time home buyer. A first-time home buyer means an individual who:

- Resides in Idaho
- Has filed an Idaho income tax return for the most recent tax year
- Doesn't own, either individually or jointly, a single-family or multi-family residence; and
- Has never owned or purchased, either individually or jointly, a single-family residence in any location

Line 23 Other Subtractions

Identify any other subtraction you're eligible for, and claim the amount on this line.

Include:

- Your distributive share of other subtractions from Form ID K-1, Part IV, Column B, line 28
- Charitable contributions not allowed on the federal return because of federal NOL limitations
- Interest from Idaho Build America Bonds that was included in federal adjusted gross income, Form 40, line 7
- Amounts included in taxable income for funds received or loans forgiven according to Public Laws 116-136, 116-139, and 116-142 for COVID relief

Don't include:

- Income earned in another state as a subtraction
- Foreign taxes as a subtraction, since they're claimed as part of the Idaho itemized deduction, if allowable
- Any interest from non-Idaho Build America Bonds

See the instructions for **Itemized or Standard Deductions**.

Part C — Credit for Income Tax Paid to Other States

When Idaho and another state tax the same income, you may qualify for a credit for tax paid to the other state. Use this section to compute the credit. Include a complete copy of the other state's income tax return and Idaho Form 39R with your income tax return. If your S corporation or partnership paid income tax to another state on your behalf, include a copy of Form ID K-1 or the schedule you received from the S corporation or partnership that paid the tax. If credit applies to more than one state, use a separate Form 39R for each state.

Examples of income that both Idaho and another state may tax include:

- Wages earned in another state that has an income tax, such as Oregon or Utah, while living in Idaho
- Income from a business or profession earned in another state that has an income tax, while a resident of Idaho

Line 1. Enter the tax shown on Form 40, line 20.

Line 2. Enter the total portion of federal adjusted gross income derived in the other state, modified to reflect Idaho additions and subtractions. In computing the income derived in the other state, you must reverse any adjustments to federal taxable income allowed by the other state that aren't applicable to Idaho.

Enter your adjusted gross income from the other state restated to a basis comparable to Idaho adjusted income. For example, if the other state taxes interest received from U.S. obligations, deduct this amount from the other state's adjusted gross income since Idaho doesn't tax this interest.

If your income derived in the other state includes income from an S corporation, partnership, trust, or estate, enter your share of the entity's taxable income correctly reported to the other state plus any other Idaho adjusted gross income from sources in the other state.

Line 3. Enter your Idaho adjusted income from Form 40, line 11, if you reported the double-taxed income on an individual income tax return in the other state. However, if the double-taxed income was reported to the other state and taxed as part of

an S corporation or partnership composite or group return, enter your federal adjusted income from Form 40, line 7.

Line 4. Divide line 2 by line 3. Round to four digits to the right of the decimal point. For example, .66666 is rounded to .6667 and is entered as 66.67%. The percentage can't be more than 100%.

Line 6. Enter the other state's tax due from its tax table or rate schedule less its income tax credits. State and local tax (SALT) workaround payments or credits aren't subtracted. If your income derived in the other state was reported on a composite or group return filed by an S corporation or partnership, enter your proportionate share of the tax paid by the S corporation or partnership minus your proportionate share of the income tax credits. Income tax credits are those credits that relate to income tax excluding SALT workaround payments or credits. An example of a credit that isn't an income tax credit is a special fuels or gasoline tax credit or refund.

Line 7. Your allowable credit for tax paid to other states is the smaller of lines 5 or 6. Enter this amount on Form 40, line 22.

Part D — Credits for Idaho Educational Entity and Idaho Youth and Rehabilitation Facility Contributions, and Live Organ Donation Expenses

Line 1 Credit for Idaho Educational Entity Contributions

If you donated cash to a qualified educational entity, you can claim a tax credit. Donation of goods or services don't qualify. Include amounts from Form ID K-1, Part VIII, line 50 to calculate the credit amount.

The credit is limited to the smallest of:

- One-half of the amount donated
- 50% of the tax on Form 40, line 21
- \$500 (\$1,000 on a joint return)
- The tax on Form 40, line 21 less the amount on Form 40, line 22

If you have credit from an ABE (Form ID K-1, Part XI, line 59), you can add that to the amount computed above (if any). The total credit is limited to the smallest of:

- 50% of the tax on Form 40, line 21 or
- \$500 (\$1,000 on a joint return).

A qualified educational entity includes:

- A nonprofit corporation, fund, foundation, research park, trust, or association organized and operated exclusively for the benefit of Idaho colleges and universities
- A nonprofit, private, or public Idaho school (elementary, secondary, or higher education) or its foundation
- Idaho education public broadcast system foundations
- The Idaho State Historical Society or its foundation
- An Idaho public library or its foundation
- An Idaho library district or its foundation
- An Idaho public or private nonprofit museum
- The Idaho Commission for Libraries
- Idaho Commission on Hispanic Affairs
- Idaho Commission for the Blind and Visually Impaired
- Idaho Council on Developmental Disabilities
- Idaho State Independent Living Council
- Idaho Council for the Deaf and Hard of Hearing
- Idaho STEM Action Center
- Medical residency programs or support organizations devoted to training residents in Idaho

Line 2 Credit for Idaho Youth and Rehabilitation Facility Contributions

You can claim this credit if you donated cash or goods to the following:

- Qualified center for independent living
- Youth or rehabilitation facility or its foundation, or
- Nonprofit substance abuse center licensed by the Idaho Department of Health and Welfare

Include amounts from Form ID K-1, Part VIII, line 51 to calculate the credit amount.

The credit is limited to the smallest of:

- One-half of the amount donated
- 20% of the tax on Form 40, line 21
- \$100 (\$200 on a joint return)
- The tax on Form 40, line 21 less the amounts on Form 40, line 22, Form 39R, Part D, line 1 and Form 44, Part I, line 1

If you have credit from an ABE (Form ID K-1, Part XI, line 61), you can add that to the amount computed above (if any). The total credit is limited to the smallest of:

- 20% of the tax on Form 40, line 21 or
- \$100 (\$200 on a joint return).

The qualified youth or rehabilitation facilities and their foundations are:

- Anchor House, Coeur d'Alene
- The Arc, Inc., Boise
- The Children's Home Society of Idaho, Inc., Boise
- Children's Village, Inc., Coeur d'Alene
- Dawn Enterprises, Inc., Blackfoot
- Development Workshop, Inc., Idaho Falls
- Gem Youth Services, Inc., Emmett
- Hope House, Inc., Nampa
- Idaho Drug Free Youth, Inc., Coeur d'Alene
- Idaho Elks Rehabilitation Hospital, Inc., Boise
- Idaho Youth Ranch
- Kinderhaven, Sandpoint
- Learning Lab, Inc., Boise
- Magic Valley Rehabilitation Services, Inc., Twin Falls
- New Day Products, Inc., Pocatello
- Northwest (North Idaho) Children's Home, Inc.
- Opportunities Unlimited, Inc., Lewiston
- Panhandle Special Needs, Inc., Sandpoint
- Project P.A.T.C.H., Planned Assistance for Troubled Children
- Shepherd's Home, Inc., McCall
- Transitional Employment Services for the Handicapped, Coeur d'Alene
- Walker Center, Gooding
- Winchester Occupational Workshop, Winchester
- Witco Inc., Caldwell
- Women's and Children's Alliance

The following are the qualified centers for independent living:

- Disability Action Center Northwest, Moscow and Coeur d'Alene
- Living Independence Network Corporation, Boise and Twin Falls
- Living Independently for Everyone, Inc., Blackfoot, Idaho Falls, and Pocatello

Line 3 Credit for Live Organ Donation Expenses

A living taxpayer who donates (or whose dependent donates) a qualified organ that's transplanted into another individual can claim a credit for expenses related to the donation.

The credit can't be more than the taxpayer's tax liability and is limited to the smaller of:

- The amount of live organ donation expenses paid by the taxpayer during the tax year, or
- \$5,000

Any unused credit can be carried over for five years.

To claim the credit, you must donate one or more of the following organs:

- Human bone marrow
- Any part of an:
 - Intestine
 - Kidney
 - Liver
 - Lung
 - Pancreas

Qualified expenses are those incurred by the taxpayer or dependent for travel, lodging, or lost wages and aren't reimbursed to the taxpayer. The expenses must be directly related to the live organ donation by the taxpayer or a dependent of the taxpayer.

Part E — Maintaining a Home for a Family Member Age 65 or Older or a Family Member with a Developmental Disability

If you didn't claim the \$1,000 deduction on Part B, line 15, you can claim a \$100 credit for each family member, not including yourself or your spouse who:

- Is age 65 or older
- You maintain a household for, and
- You provide more than one-half of the family member's support for the year

If the home was maintained for the family member less than a full year, the credit is allowed at the rate of \$8.33 for each month the home was maintained.

You can claim this credit if your gross income is less than the filing requirement. File Form 40 and include Form 39R.

Only residents, including Idaho residents on active military duty outside Idaho, can claim this credit.

Lines 1 and 2. Answer the two questions. If you answer yes to either question, you qualify.

Line 3. Enter the family member's name, Social Security number, relationship, and date of birth for whom you maintain a home and provide more than one-half of their support. If the claim is for a family member with a developmental disability, check the box.

Line 4. Enter the total on Form 40, line 44.

Complete Form 39NR if you're filing Form 43. If you're filing Form 40, complete Form 39R.

Part A — Additions

Line 1 Non-Idaho State and Local Bond Interest and Dividends

Column A: Enter the amount of interest and dividends, less the related expenses, you received from municipal bonds of other state governments, including their counties or cities, or from obligations of any foreign country. This income isn't taxed on your federal return. Include any amount passed through to you from Form ID K-1, Part IV, Column A, line 21.

Column B: Enter the amount in Column A earned while an Idaho resident or part-year resident. This includes your apportioned share passed through from S corporations, partnerships, trusts, and estates from Form ID K-1, Part IV, Column B, line 21.

If you're required to file an Idaho return, you must report any amounts allocated or apportioned to Idaho.

Line 2 Idaho College Savings Account Withdrawal

Column A: If you made a nonqualified withdrawal from an Idaho college savings account, enter the amount withdrawn minus any amounts reported on your federal Form 1040 or 1040-SR.

Include withdrawals from Idaho college savings programs that are transferred to a qualified program operated by another state or a qualified Achieving a Better Life Experience (ABLE) program. The amount added back is limited to your contributions deducted in the year of transfer and the previous tax year.

Column B: If you made a nonqualified withdrawal from an Idaho college savings account, enter the total amount withdrawn.

Line 3 Bonus Depreciation

If you claimed bonus depreciation for federal purposes for property acquired before 2008 or after 2009:

- Complete a separate federal Form 4562 or detailed computation for Idaho depreciation purposes as if the special depreciation allowance hadn't been claimed

- Compute the Idaho adjusted basis and any gains or losses from the sale or exchange of the property using the Idaho depreciation amounts
- If the federal depreciation (including gains and losses) is more than the Idaho depreciation (including Idaho gains and losses), include the difference on this line; otherwise, enter the difference on Part B, line 24

Include on this line your distributive share of bonus depreciation from Form ID K-1, Part IV, line 22.

Don't enter any amounts for property acquired during 2008 and 2009.

Column A: If the federal depreciation is more than the depreciation calculated without the bonus depreciation, include the difference on this line.

If you're a shareholder of an S corporation or a partner in a partnership that has Idaho source income, include your distributive share of bonus depreciation from Form ID K-1, Part IV, Column A, line 22.

Column B: If the federal depreciation is more than the depreciation calculated without the bonus depreciation, include the difference on this line.

Enter on this line your apportioned share of bonus depreciation from Form ID-K-1, Part IV, Column B, line 22. The amount must be included as part of Form 43, line 27, Idaho Adjusted Gross Income.

If you have a current year loss limitation for the following:

- At Risk (IRC Section 465)
- Passive Loss (IRC Section 469)
- Partnership Basis (IRC Section 704(d))
- Shareholder Basis (IRC Section 1366(d))

Check the box and include Form DBDA.

Line 4 Other Additions

Complete this worksheet using the instructions below to determine your other additions.

	Column A	Column B
1. Federal net operating loss	_____	_____
2. Capital loss carryforward	_____	_____
3. Retirement plan lump-sum distributions	_____	_____
4. Partner and shareholder Idaho additions	_____	_____

5. Idaho medical savings account withdrawals	_____	_____
6. Non-Idaho passive losses incurred before taxpayer was an Idaho resident	_____	_____
7. First-time home buyer savings account withdrawals	_____	_____
8. Total. Add lines 1 through 7. Enter these amounts in the appropriate columns on line 4 of Form 39NR	_____	_____

Federal Net Operating Loss (NOL)

Column A: Enter the NOL carryforward or carryback included on your federal return. The federal NOL carryforward or carryback isn't the same as Idaho's. The Idaho NOL is reported on Part B, line 1.

Column B: Make no entry in Column B.

Capital Loss Carryforward

Column A: Enter any capital losses included on federal Form 1040 or 1040-SR, line 7 that were incurred in another state or capital losses from activities not taxable by Idaho.

See the Capital Gain or Loss Adjustment Worksheet on page 27 to compute your Idaho capital gain (loss) and required addition if necessary.

Column B: Make no entry in Column B.

Retirement Plan Lump-sum Distributions

Column A: Enter the taxable amount of a lump-sum distribution from a retirement plan reported on federal Form 4972. The amount taxable by Idaho includes the ordinary income portion and the amount eligible for the federal capital gain election.

Column B: Enter any amount in Column A received while an Idaho resident.

Partner and Shareholder Idaho Additions

Column A: Include the amount of the state, municipal, and local income tax additions from Form ID K-1, Part IV, Column B, line 20, and the other additions from Form ID K-1, Part IV, Column B, line 23.

Column B: Include your apportioned share of the state, municipal, and local income tax additions from Form ID K-1, Part IV, Column B, line 20, and the other additions from Form ID K-1, Part IV, Column B, line 23.

Idaho Medical Savings Account Withdrawals

Columns A and B: If you withdraw funds from an Idaho medical savings account and don't use the funds to pay eligible medical expenses, Idaho taxes the withdrawal. Report this amount as an other addition. Eligible medical expenses include:

- Medical care
- Vision care
- Dental care
- Medical insurance premiums and long-term care expenses

If you make a taxable withdrawal and you're under age 59 1/2, penalty applies to the withdrawal. The penalty is 10% of the amount withdrawn. Report the penalty on Form 43, line 72, and check the box for an unqualified withdrawal.

First-time Home Buyer Savings Account

Columns A and B: If you withdraw funds from an Idaho first-time home buyer savings account and don't use the funds to pay eligible home costs, Idaho taxes the withdrawal. Report this amount as an other addition. Eligible home costs include:

- Down payment for the purchase of an Idaho home
- Cost, fees, taxes, or payments for the purchase of an Idaho home

Part B — Subtractions

Line 1 Idaho Net Operating Loss (NOL) Carryover and Carryback

Columns A and B: Enter the Idaho NOL carryover. Include Form 56 or a schedule showing the application of the loss. Don't include losses from sources that weren't taxable by Idaho or that were incurred before becoming a resident or part-year resident.

If this is an amended return to claim an NOL carryback, enter the amount of the NOL carryback. Include Form 56 or a schedule showing the application of the loss.

Enter the total of the NOL carryover and carryback amounts.

Line 2 State Income Tax Refund

Column A: Enter all state income tax refunds included on federal Schedule 1, line 1.

Column B: Enter state income tax refunds and state tax rebates for Idaho servicemembers included on Idaho Form 43, line 19.

Line 3 Interest from U.S. Government Obligations

Idaho doesn't tax interest income received from U.S. government obligations. See page 29 for examples of U.S. government obligations.

Idaho taxes interest income received from the Federal National Mortgage Association (FNMA) and the Government National Mortgage Association (GNMA).

If you have interest income from a mutual fund that invests in both nonexempt securities and exempt U.S. government securities, you can deduct the portion of the interest earned that's attributable to direct U.S. government obligations. This amount must be identified by the mutual fund to be deductible.

Column A: Enter the interest income you received from U.S. government obligations if included on federal Form 1040 or 1040-SR, line 2b. Your distributive share from Form ID K-1, Part IV, Column A, line 25 net of the expenses related to the federal obligations, should already be included on federal Form 1040 or 1040-SR.

Column B: Enter on this line the interest and related expenses included as part of Form 43, line 27. This includes your apportioned share of interest from Form ID K-1, Part IV, Column B, line 25 minus expenses relating to U.S. interest.

Line 4 Child and Dependent Care

If you claimed the federal Credit for Child and Dependent Care Expenses, you're allowed an Idaho deduction for the child care expenses you paid for the care of your dependents. The Idaho deduction is a different amount than the federal credit.

Complete this worksheet to determine your Idaho child or dependent care deduction. Refer to federal Form 2441 to determine amounts to enter on lines 1 through 6.

Worksheet

1. Enter the amount of qualified expenses you incurred and paid in 2023. Don't include amounts paid by your employer or excluded from taxable income _____
2. Enter \$12,000 for one or more child or dependent cared for during the year _____

3. Enter excluded benefits from Part III of Form 2441 _____
4. Subtract line 3 from line 2. If zero or less, stop. You can't claim the deduction _____
5. Enter your earned income _____
6. If married filing a joint return, enter your spouse's earned income. All others enter the amount from line 5 _____
7. Enter the smallest of lines 1, 4, 5, or 6 here and on Form 39NR, Part B, line 4, Column A _____
8. If married filing a joint return, enter the total of lines 5 and 6 that are from Idaho sources. All others enter the amount from line 5 from Idaho sources _____
9. If married filing a joint return, enter the total of lines 5 and 6. All others enter the amount from line 5 _____
10. Divide line 8 by line 9.
(Can't exceed 100%) %
11. Multiply line 7 by line 10. Enter this amount here and on Form 39NR, Part B, line 4, Column B _____

Include federal Form 2441, *Child and Dependent Care Expenses*, with your return.

Line 5 Social Security and Railroad Benefits

Idaho doesn't tax Social Security or Social Security equivalent benefits, benefits paid by the Railroad Retirement Board, or Canadian Social Security benefits (OAS, QPP or CPP) that are taxable on your federal return.

Exempt payments from the Railroad Retirement Board include:

- Retirement, supplemental, and disability annuities
- Unemployment and sickness benefits

Column A: Enter the taxable amount of Social Security benefits from Form SSA-1099 or Social Security Equivalent railroad benefits from Form RRB-1099 included on your federal Form 1040 or 1040-SR, line 6b. Don't enter the amount reported on Form 1040 or 1040-SR, line 6a.

Enter the taxable amount of non-Social Security equivalent railroad benefits from Form RRB-1099R included on your federal Form 1040 or 1040-SR, line 5b. Don't enter the amount reported on Form 1040 or 1040-SR, line 5a.

If subtracting benefits from the Railroad Retirement Board, you must include Form RRB-1099 or RRB-1099-R with your return.

Disability pension paid by the Federal Railroad Retirement Act may be included as wages on Form 1040 or 1040-SR, line 1 if you're under the minimum retirement age.

Column B: Enter Social Security and railroad benefits included on Idaho Form 43, line 19.

Line 6 Idaho Capital Gains Deduction

Columns A and B: If you had capital gain net income from the sale of qualified Idaho property described below, you may be able to deduct 60% of the capital gain net income reported on federal Schedule D.

- (a) Real property held for at least 12 months, or
- (b) Tangible personal property used in a revenue-producing enterprise and held for at least 12 months
 - See page 32 for the definition of revenue-producing enterprises
- (c) Cattle and horses held for at least 24 months and other livestock used for breeding held for at least 12 months
- (d) Timber held for at least 24 months
- (e) Certain sales of partnership interests. See Idaho Code 63-3022H(3)(f) for more information.

Note: Gains from the sale of stocks and other intangibles don't qualify.

Complete Idaho Form CG to compute your capital gains deduction.

Line 7 Idaho Resident-Military Pay Earned Outside of Idaho

Column A and B: If you're serving in the United States military on active duty that's continuous and uninterrupted for 120 days, Idaho doesn't tax your active duty military wages for service outside of Idaho. The continuous 120 days don't have to be in the same tax year. This deduction applies to Idaho part-year residents who report military wages earned outside Idaho as Idaho income on Form 43, line 7.

Enter the amount of wages in Columns A and B if included on Form 43, line 7. Don't include military wages earned while stationed in Idaho. Your W-2 doesn't show this amount separately, and you may

have to compute the amount of income earned outside of Idaho. See your unit of assignment or use your orders to make the computation. Include a copy of your worksheet.

National Guard or Reserve pay, including annual training pay, doesn't qualify as active duty pay unless you've been called into full-time duty for 120 days or more. If you're a commissioned officer of the Public Health Service or of the National Oceanic and Atmospheric Administration militarized by the President of the United States and attached to the armed forces, your active duty military wages earned outside Idaho qualify for this deduction. Enter these wages on this line.

Line 8 Idaho Medical Savings Account Contributions and Interest

Columns A and B: You can contribute up to \$10,000 (\$20,000 if married filing a joint return) to an Idaho medical savings account and deduct the contribution. Deductible contributions don't include reimbursements that were redeposited into your Idaho medical savings account. Don't include amounts deducted on federal Form 1040 or 1040-SR.

An Idaho medical savings account generally is established with a bank, savings and loan, or credit union. The account is established to pay eligible medical expenses of the account holder and the account holder's dependents.

Include interest earned on the account on this line but only if included on Form 43, line 8. Add your qualifying contributions to the interest earned on the account and enter the total on this line.

Line 9 Idaho College Savings Program

You can deduct up to \$6,000 (\$12,000 if married filing a joint return) per year in contributions to accounts in the Idaho College Savings Program (IDeal). Contributions to an out-of-state qualified tuition program aren't eligible for the deduction. Designate the account owner and beneficiary at the time you establish the account. The account owner can make withdrawals for a qualified eligible education expense for the beneficiary as provided in 26 U.S.C. section 529. The person who withdraws the funds must report the amounts withdrawn as income. More information is available at idsaves.org or by calling (866) 433-2533.

Line 10 Adoption Expenses

Column A: If you adopt a child, you can deduct some of the expenses incurred in the adoption. You can claim legal and medical expenses incurred up to a maximum of \$10,000 per adoption. Travel expenses don't qualify. If you incur expenses in two or more years, deduct the costs in the year paid until you meet the \$10,000 limit. Expenses related to an unsuccessful attempt to adopt aren't deductible. If you claim expenses in a year before the unsuccessful attempt to adopt, file an amended return to add back any deduction claimed for the unsuccessful attempt.

Column B: Enter the amount included in Column A in the proportion that total Idaho income bears to total income from all sources. Complete the following worksheet.

1. Total Idaho income from Form 43, line 20 _____
2. Total income from federal Form 1040 or 1040-SR, line 9 _____
3. Divide line 1 by line 2.
(Can't exceed 100%) %
4. Total adoption expenses from line 10, Column A _____
5. Multiply line 4 by line 3. Enter this amount on line 10, Column B _____

Line 11

Home for the Aged

Columns A and B: You can deduct \$1,000 for each family member, not including yourself or your spouse, who:

- Is age 65 or older
- You maintain a household for, and
- You provide more than one-half of the family member's support for the year

Developmentally Disabled

You can deduct \$1,000 for each family member, including yourself and your spouse, who:

- Is developmentally disabled
- You maintain a household for, and
- You provide more than one-half of the family member's support for the year

No more than three deductions of \$1,000 are allowed. If you claim this deduction, you can't claim the \$100 credit in Part F.

See page 33 for the definition of developmental disability.

If you maintain the home for the family member for less than a full year, the deduction is allowed at the rate of \$83.33 for each month the home was maintained.

A family member is any person who meets the relationship test to be claimed as a dependent on income tax returns. Refer to the federal Form 1040 instructions for more information.

Maintaining a household means paying more than one-half of the expenses incurred for the benefit of all the household's occupants. Social Security benefits aren't support provided by you but must be included in the computation of total support provided. Some examples of expenses of maintaining a household include:

- Property taxes
- Mortgage interest
- Rent
- Utility charges
- Upkeep and repairs
- Property insurance, and
- Food consumed on the premises

The amounts entered in Columns A and B must be the same.

Line 12 Idaho Lottery Winnings

Columns A and B: Enter the amount of Idaho lottery prizes of less than \$600 per award included in other income on Form 43, line 19. The amounts entered in Columns A and B must be the same.

Line 13 Income Earned on a Reservation by an American Indian

Column B: You can deduct all your income from working on the reservation only when all these criteria are met:

- You're enrolled in a federally recognized tribe
- You live and work on the reservation
- The income is included on Form 43, line 7 of your tax return

If you have no other income, you aren't required to file.

Income earned off the reservation can't be deducted. Income earned on the reservation can't be deducted if you live off the reservation.

Line 14 Workers' Compensation Insurance

Columns A and B: A self-employed individual can deduct the actual cost of amounts paid for workers' compensation insurance coverage in Idaho, if the cost isn't deducted elsewhere.

Don't enter amounts paid for coverage in other states. The amounts entered in Columns A and B must be the same.

Line 15 Pass-through Subtractions

Column A: Include the amount of other subtractions included on Form ID K-1, Part IV, Column A, line 28.

Column B: Enter your Idaho apportioned share of the Idaho subtractions from Form ID K-1, Part IV, Column B, line 28.

Line 16 Energy Efficiency Upgrade

Columns A and B: To qualify for this deduction, your Idaho residence must have existed, been under construction, or had a building permit issued on or before January 1, 2002, and must be your primary residence.

Energy efficiency upgrade means an energy efficiency improvement to your residence's envelope or duct system that meets or exceeds the minimum value for the improved component established by the version of the International Energy Conservation Code (IECC) in effect in Idaho during the tax year when the improvement is made. Contact the Idaho Division of Building Safety at dbs.idaho.gov for more information.

See page 29 for more on energy efficiency upgrades.

The amount charged for labor to install the energy efficiency upgrades is also deductible.

Enter the energy efficiency upgrade installed in your Idaho residence. If you have more than one, enter multiple. Enter the total amount on line 16.

Line 17 Technological Equipment Donation

Columns A and B: Enter the lesser of cost or fair market value of technological equipment donated to one or more of the following Idaho educational institutions or libraries located in Idaho:

- Public or nonprofit private elementary, or secondary school
- Public or nonprofit private college or university
- Public library or library district

Items that qualify for this deduction are limited to computers, computer software and scientific equipment, or apparatus manufactured within five years of the date of donation. The amount deducted can't reduce Idaho taxable income to less than zero. Any unused deduction can't be carried to another year.

Columns A and B: Include your distributive share from the appropriate column of Form ID K-1, Part IV, line 26. The deduction from a pass-through entity can't be more than the amount of pass-through income minus deductions of the entity making the contribution.

Line 18 Health Insurance Premiums

Column A: Deduct premiums you paid for health insurance for yourself, your spouse, and your dependents if those premiums haven't already been deducted or excluded from your income.

If you claimed a deduction for health insurance premiums on your federal Form 1040 or 1040-SR, Schedule A, use the worksheet on page 46 to calculate the deduction allowed for health insurance premiums. The worksheet follows the priority that itemized deductions first apply to health insurance premiums, then to long-term care insurance.

Idaho Medical Savings Account

If you take money out of your Idaho medical savings account to pay medical insurance premiums, no deduction is allowed. Since the health insurance costs already are deducted or accounted for, they can't be deducted a second time.

Salary Reduction Plans

Premiums paid through a cafeteria plan or other salary-reduction arrangement can't be included in the Idaho deduction for health insurance costs. For example, if your health insurance payments are deducted from your paycheck pretax, they don't qualify for the deduction.

Business Deductions

Premiums deducted as a business expense can't be included in the Idaho deduction for health insurance costs, since these amounts are already deducted. This includes amounts of self-employed health insurance premiums deducted in arriving at federal adjusted gross income.

Social Security Medicare A and B

No deduction is allowed for the amount paid for employer-required Social Security Medicare A. This is the amount listed as a deduction on almost every federal Form W-2.

If you voluntarily enroll in Medicare B or Medicare D or aren't covered under Social Security and voluntarily enroll in Medicare A, you can deduct the premiums you paid.

Idaho Standard Deduction

If you use the Idaho standard deduction instead of itemizing your deductions for Idaho purposes, you don't have to reduce your health insurance costs by any amount claimed as a federal itemized deduction.

Federal Itemized Deduction Limitations

The following worksheets calculate your health insurance and long-term care insurance premium subtractions for Idaho purposes.

If you aren't itemizing deductions for Idaho, skip lines 1-6 and enter zeros on lines 8, 12, and 13.

Health Insurance and Long-term Care Insurance Deduction Limitations

1. Amount claimed for health insurance costs on federal Form 1040 or 1040-SR, Schedule A _____
2. Amount claimed for long-term care insurance on federal Form 1040 or 1040-SR, Schedule A _____
3. Additional medical expenses claimed on federal Form 1040 or 1040-SR, Schedule A _____
4. Total medical expenses. Add lines 1, 2 and 3 _____
5. Enter 7.5% of federal adjusted gross income _____
6. Medical expense deduction allowed on federal Form 1040 or 1040-SR, Schedule A. (Subtract line 5 from line 4. If less than zero, enter zero.) _____

Health Insurance

7. Enter the total paid for health insurance _____
8. Portion of health insurance deduction allowed on federal Form 1040 or 1040-SR, Schedule A. Enter the lesser of lines 1 or 6 _____
9. Enter the total health insurance costs deducted elsewhere on the federal return _____
10. Idaho health insurance deduction allowed. Subtract lines 8 and 9 from line 7. Enter this amount on Form 39NR, line 18, Column A _____

Long-term Care Insurance

11. Enter the total paid for long-term care insurance _____
12. Medical expense deduction not allocated to health insurance costs. Subtract line 1 from line 6. If less than zero, enter zero _____
13. Portion of long-term care insurance deduction allowed on federal Form 1040 or 1040-SR, Schedule A. Enter the lesser of lines 2 or 12 _____
14. Enter the total long-term care insurance costs deducted elsewhere on the federal return _____
15. Long-term care insurance deduction allowed. Subtract lines 13 and 14 from line 11. Enter the amount on Form 39NR, line 19, Column A _____

Column B: Enter the amount from line 5 of this worksheet.

1. Total Idaho income from Form 43, line 20 _____
2. Total income from federal Form 1040 or 1040-SR, line 9 _____
3. Divide line 1 by line 2. (Can't exceed 100%) _____ %
4. Enter the amount from Form 39NR, line 18, Column A _____
5. Allowable Idaho deduction. Multiply line 4 by line 3 _____

Line 19 Long-term Care Insurance

Column A: You can deduct the amount you paid in premiums for qualified long-term care insurance that isn't otherwise deducted or accounted for.

Qualified long-term care insurance includes any insurance policy that provides coverage for at least 12 consecutive months for yourself, your spouse, or your dependents for one or more necessary diagnostic, preventive, therapeutic, rehabilitative, maintenance, or personal care services provided in a setting other than an acute care unit of a hospital. Group and individual annuities and life insurance policies that directly provide or that supplement long-term care insurance qualify. This includes a policy that provides for payment of benefits based on cognitive impairment or loss of functional capacity.

Qualified long-term care insurance doesn't include any insurance policy that's offered primarily to provide coverage for:

- Basic Medicare supplement
- Basic hospital expense
- Basic medical surgical expense
- Hospital confinement indemnity
- Major medical expense
- Disability income or related asset protection
- Accident only
- Specified disease or specified accident, or
- Limited benefit health

Life insurance policies that accelerate death benefits generally don't qualify.

If you claimed a deduction for long-term care insurance on your federal Form 1040 or 1040-SR, Schedule A as an itemized deduction, calculate the long-term care insurance allowed as a deduction by using the worksheet on the previous page.

Column B: Enter the amount from line 5 of this worksheet.

1. Total Idaho income from Form 43, line 20	_____
2. Total income from federal Form 1040 or 1040-SR, line 9	_____
3. Divide line 1 by line 2. (Can't exceed 100%)	_____ %
4. Enter the amount from Form 39NR, line 19, Column A	_____
5. Allowable Idaho deduction. Multiply line 4 by line 3	_____

Line 20 Alternative Energy Device Deduction

Columns A and B: If you install an alternative energy device in your Idaho residence, you can deduct a portion of the amount actually paid or accrued (billed but not paid).

In the year the device is placed in service, you can deduct 40% of the cost to construct, reconstruct, remodel, install, or acquire the device, but not more than \$5,000.

In the next three years after installation, you can deduct 20% of these costs per year, but not more than \$5,000 in any year.

Qualifying devices include:

- A system using solar radiation, wind, or geothermal resource primarily to provide heating or cooling or produce electrical power or any combination thereof
- A fluid-to-air heat pump operating on a fluid reservoir heated by solar radiation or geothermal resource but not an air-to-air heat pump unless it uses geothermal resources as part of the system
- A natural gas or propane heating unit that replaces a noncertified wood stove
- An Environmental Protection Agency (EPA)-certified wood stove or pellet stove meeting current industry and state standards that replaces a noncertified wood stove

A noncertified wood stove is a wood stove that doesn't meet current EPA standards. You must take the noncertified wood stove to a site authorized by the Division of Environmental Quality (DEQ) within 30 days from the date of purchase of the qualifying device. The DEQ will give you a receipt to verify it received and destroyed the noncertified wood stove.

You must install the natural gas or propane heating unit or the EPA-certified wood stove or pellet stove the same tax year that you surrender the nonqualifying wood stove to the DEQ.

Lines 20a – 20d

Complete the lines that apply to the year you acquired the device. For example, if you acquired the device in 2020, complete line 20d. Enter the device type and total cost. Multiply the total cost by the appropriate percentage. Line 20e can't be more than \$5,000.

Line 22 Idaho Qualified Retirement Benefits Deduction

You may be able to deduct some of the qualifying retirement benefits and annuities you receive.

The Idaho Retirement Benefits Deduction has a two-part qualification. You must qualify for **both parts** to receive this deduction.

Part One – Age, Disability, and Marital/Filing Status

The recipients must be at least age 65 or be classified as disabled and be at least age 62.

The following individuals are classified as disabled:

- An individual recognized as disabled by the Social Security Administration, the Railroad Retirement Board, or the Office of Management and Budget

- A veteran of a U.S. war with a service-connected disability rating of 10% or more
- A veteran of a U.S. war with a nonservice-connected disability pension
- A person who has a physician-certified permanent disability with no expectation of improvement

If you're married, you can't claim this deduction if you file separately. If you're an unremarried widow or widower of a pensioner and receive qualifying survivor benefits, you may be eligible to claim the retirement benefit deduction if you meet the age/disability requirements.

Part Two – Qualified Retirement Benefits

The recipients must meet the requirements in Part One, and their qualified retirement benefits must be one of the following:

- **Civil Service Employees:** Retirement annuities paid by the United States of America Civil Service Retirement System (CSRS), the Foreign Service Retirement and Disability System (FSRDS), or the offset programs of these two systems. To qualify for the deduction, employees must have established eligibility before 1984. Retirement annuities paid to a retired federal employee under the Federal Employees Retirement System (FERS) don't qualify for the deduction. If you received a CSA-1099, you can tell if your benefits are paid under the CSRS or FERS by looking at the first digit of the account number shown on your CSA-1099. If the first digit is 7 or 9, the benefits are paid out of FERS and don't qualify.

If the first digit is 8, look at your Notice of Annuity Adjustment from the Office of Personnel Management. The notice shows how much of your benefits are paid from CSRS and how much are paid from FERS. Only the portion paid from CSRS qualifies for this deduction. If the first digit is 0, 1, 2, 3, or 4, the benefits are paid out of CSRS.

- **Idaho Firefighters:** Retirement benefits paid by the Public Employee Retirement System of Idaho (PERSI) relating to the Firemen's Retirement Fund.

If you received a 1099R and your account number includes the FRF (Firemen's Retirement Fund) designation, your benefits may qualify for the deduction. Benefits paid out of the PERSI Base Plan don't qualify for the deduction.

- **Police Officers of an Idaho City:** Retirement benefits paid from the Policemen's Retirement Fund that no longer admits new members and, on January 1, 2012, was administered by an Idaho city or PERSI. Also, benefits paid by PERSI relating to Idaho police officer employment not included in the federal Social Security retirement system. For example, benefits paid out of the city police retirement funds for the cities of Coeur d'Alene, Lewiston, and Pocatello may qualify for the deduction. Similarly, benefits paid by PERSI relating to the old Idaho Falls Policemen's Retirement Fund may qualify for the deduction.

If you received a 1099R and your account number includes the IFP (Idaho Falls Police) designation, your benefits may qualify for the deduction. Benefits paid out of the PERSI Base Plan don't qualify for the deduction.

- **Service Members:** Retirement benefits paid by the United States to a retired member of the U.S. military.

Disability pension paid by the Federal Railroad Retirement Act may not be included on your Form RRB-1099 or RRB-1099-R, if you're under the minimum retirement age. Instead it may be included on Form 1040 or 1040-SR, line 1 as wages.

The maximum amounts that can be deducted for 2023 are:

Married filing jointly:

- Recipient age 65 or older \$65,286
- Recipient age 62 or older and disabled \$65,286

Single:

- Age 65 or older \$43,524
- Age 62 or older and disabled \$43,524

These amounts must be reduced by retirement benefits received by you and your spouse under the Federal Social Security Act and the Federal Railroad Retirement Act.

Include with your return Form 1099s for all qualified retirement benefits claimed.

Line 22a. Enter \$65,286 or \$43,524, whichever applies to your filing status. **Note:** Only one deduction is allowed even though you and your spouse receive more than one annuity.

Line 22b. Enter the amount of retirement benefits you and your spouse received under the Federal Railroad Retirement Act.

Include on this line:

- The net Social Security equivalent benefit portion from federal Form RRB-1099, Box 5
- The “total gross paid” amount from federal Form RRB-1099-R, Box 7, minus any repayment from Box 8, and
- Any railroad retirement disability benefit included as wages on federal Form 1040 or 1040-SR, line 1

Line 22c. Enter the amount of retirement benefits you and your spouse received under the Federal Social Security Act, Box 5 of your Form SSA-1099s. If you or your spouse received Canadian Social Security benefits that you included in your federal taxable income, include those amounts received.

Line 22e. Enter the amount of qualified retirement benefits included on Form 43, line 28, Column A.

Line 22g. Enter the amount of qualified retirement benefits included in Idaho gross income. This amount must have been included on Form 43, line 28, Column B.

Line 22h. Divide line 22g, Column B, by line 22e, Column A. Round the percentage to the nearest whole number. For example, 45.49% is entered as 45%; 45.50% is entered as 46%.

Line 23 Nonresident Military Pay

Column A: If you’re a nonresident of Idaho, enter the amount of military pay included on Form 43, line 28, Column A.

Line 24 Bonus Depreciation

If you claimed the bonus depreciation for federal purposes for property acquired before 2008 or after 2009:

- Complete a separate federal Form 4562 or detailed computation for Idaho depreciation purposes as if the special depreciation allowance hadn’t been claimed
- Compute the Idaho adjusted basis and any gains or losses from the sale or exchange of the property using the Idaho depreciation amounts
- If the federal depreciation (including gains and losses) is less than the Idaho depreciation (including gains and losses), include the difference on this line; otherwise, enter the difference on Part A, line 3

Include the federal Form 4562s or detailed

computations used to compute the depreciation and gains and losses.

Don’t enter any amounts for property acquired during 2008 and 2009.

Column A: If the federal depreciation (including gains and losses) is less than the depreciation (including gains and losses) calculated without the bonus depreciation, include the difference on this line.

If you’re a shareholder in an S corporation or a partner in a partnership that has Idaho-source income, include your distributive share of bonus depreciation from Form ID K-1, Part IV, Column A, line 27.

Column B: If the federal depreciation (including gains and losses) is less than the Idaho depreciation (including Idaho gains and losses), include the difference on this line.

Enter on this line your apportioned share of bonus depreciation from Form ID K-1, Part IV, Column B, line 27. The amount must be included as part of Form 43, line 27, Idaho Adjusted Gross Income.

Line 25 First-time Home Buyer Savings Account Contributions and Interest

You can contribute up to \$15,000 (\$30,000 if married filing a joint return) to a first-time home buyer savings account and deduct the contribution. Deposits into a first-time home buyer savings account can’t exceed \$100,000 for the lifetime of the account.

A first-time home buyer savings account is established in Idaho with a bank, savings and loan association, credit union, or trust company authorized to act as a fiduciary. The account is used to pay the eligible home costs of the account holder or to reimburse the account holder’s eligible home costs in connection with a qualified home purchase.

Include interest earned on the account on line 25 but only if included on Form 43, line 8. Interest earned on the account is tax deferred if the funds are used for a qualified home purchase. Enter the name of the financial institution and your account number in the spaces provided. Add your contributions to the interest earned on the account, and enter the total on this line.

Check the box to attest that you’re a first-time home buyer. A first-time home buyer means an individual who:

- Resides in Idaho
- Has filed an Idaho income tax return for the most recent tax year
- Doesn’t own, either individually or jointly, a

single-family or multi-family residence, and

- Has never owned or purchased, either individually or jointly, a single-family residence in any location

Line 26 Other Subtractions

Columns A and B: Identify any other subtraction you're eligible for, and claim the amount on this line.

Don't include foreign taxes as a subtraction, since they're claimed as part of the Idaho itemized deduction if allowed. See the instructions for **Itemized or Standard Deductions**. Don't include other subtractions from Form ID K-1, Part IV, line 28 on this line. Include those other subtractions on line 15.

On this line in the applicable column, include interest from Idaho Build America Bonds included on Form 43, line 28, Columns A and B. Don't include on this line any interest from non-Idaho Build America Bonds.

Part C — Credit for Income Tax Paid to Other States by Part-year Residents

When both Idaho and another state tax the same income while you're an Idaho resident, you may be eligible for a credit for tax paid to the other state.

Use this section to compute the credit. Include a complete copy of the other state's income tax return and Idaho Form 39NR with your income tax return. If your S corporation or partnership paid income tax to another state on your behalf, include a copy of Form ID K-1 or the schedule received from the S corporation or partnership that paid the tax. If credit applies to more than one state, use a separate Form 39NR for each state.

Examples of income that both Idaho and another state may tax include:

- Wages earned in another state that has an income tax, such as Oregon or Utah, while living in Idaho
- Income from a business or profession earned in another state that has an income tax, while a resident of Idaho

Line 1. Enter your Idaho adjusted income from Form 43, line 31, Column B, if you reported the double-taxed income on an individual income tax return in the other state. If the double-taxed income was reported to the other state and taxed as part of an S corporation or partnership composite or group return, enter your federal adjusted gross income from Form 43, line 28, Column A.

Line 2. Enter the total portion of federal adjusted gross income derived in the other state modified to reflect Idaho additions and subtractions. In computing the income derived in the other state, reverse any adjustments to federal taxable income allowed by the other state that aren't applicable to Idaho.

Enter your adjusted gross income from the other state restated to a basis comparable to Idaho adjusted income. For example, if the other state taxes interest received from U.S. obligations, deduct this amount from the other state's adjusted gross income. Idaho doesn't tax this interest.

If your income derived in the other state includes income from an S corporation, partnership, trust, or estate, enter your share of the entity's taxable income correctly reported to the other state plus any other Idaho adjusted gross income from sources in the other state.

Line 3. Enter the amount of income that's taxed twice. Only income that's taxed by Idaho and also taxed by another state is double-taxed.

Line 4. Enter the tax shown on Form 43, line 42.

Line 5. Divide line 3 by line 1. Round to four digits to the right of the decimal point. For example, .66666 is rounded to .6667 and should be entered as 66.67%. The percentage can't exceed 100%.

Line 7. Enter the other state's tax due from its tax table or rate schedule less its income tax credits. State and local tax (SALT) workaround payments or credits aren't subtracted. If your income derived in the other state was reported on a composite or group return filed by an S corporation or partnership, enter your proportionate share of the tax paid by the S corporation or partnership minus your proportionate share of the income tax credits. Income tax credits are those credits that relate to income tax excluding SALT workaround payments or credits. An example of a credit that isn't an income tax credit is a special fuels or gasoline tax credit.

Line 8. Divide line 3 by line 2. Round to four digits to the right of the decimal point. For example, .66666 is rounded to .6667 and is entered as 66.67%. The percentage can't be more than 100%.

Line 10. Your allowable credit for income tax paid to other states is the smaller of lines 6 or 9. Enter this amount on Form 43, line 43.

Part D — Credit for Income Tax Paid to Other States by Idaho Residents on Active Military Duty

When both Idaho and another state tax the same income, you may be eligible for a credit for tax paid to the other state.

Use this section to compute the credit. You must include a complete copy of the other state’s income tax return and Idaho Form 39NR with your income tax return. If your S corporation or partnership paid income tax to another state on your behalf, include a copy of Form ID K-1 or the schedule you received from the S corporation or partnership that paid the tax. If credit applies to more than one state, use a separate Form 39NR for each state.

Examples of income that both Idaho and another state may tax include:

- Wages earned in another state that has an income tax, such as Oregon or Utah, while living in Idaho
- Income from a business or profession earned in another state that has an income tax, while a resident of Idaho

Line 1. Enter the tax shown on Form 43, line 42.

Line 2. Enter the total portion of federal adjusted gross income derived in the other state, modified to reflect Idaho additions and subtractions. In computing the income derived in the other state, you must reverse any adjustments to federal taxable income allowed by the other state that aren’t applicable to Idaho.

Enter your adjusted gross income from the other state restated to a basis comparable to Idaho adjusted income. For example, if the other state taxes interest received from U.S. obligations, deduct this amount from the other state’s adjusted gross income. Idaho doesn’t tax this interest.

If your income derived in the other state includes income from an S corporation, partnership, trust, or estate, enter your share of the entity’s taxable income correctly reported to the other state plus any other Idaho adjusted gross income from sources in the other state.

Line 3. Enter your Idaho adjusted income from Form 43, line 31, Column B, if you reported the double-taxed income on an individual income tax return in the other state. However, if the double-taxed income was reported to the other state and taxed

as part of an S corporation or partnership composite or group return, enter your federal adjusted gross income from Form 43, line 28, Column A.

Line 4. Divide line 2 by line 3. Round to four digits to the right of the decimal point. For example, .66666 is rounded to .6667 and should be entered as 66.67%. The percentage can’t exceed 100%.

Line 6. Enter the other state’s tax due from its tax table or rate schedule less its income tax credits. If your income derived in the other state was reported on a composite or group return filed by an S corporation or partnership, enter your proportionate share of the tax paid by the S corporation or partnership minus your proportionate share of the income tax credits. Income tax credits are those credits that relate to income tax. An example of a credit that isn’t an income tax credit is a special fuels or gasoline tax credit.

Line 7. Your allowable credit for income tax paid to other states is the smaller of lines 5 or 6. Enter this amount on Form 43, line 43.

Part E — Credits for Idaho Educational Entity and Idaho Youth and Rehabilitation Facility Contributions, and Live Organ Donation Expenses

Line 1 Credit for Idaho Educational Entity Contributions

If you donated cash to qualified educational entities, you can claim a tax credit. Donation of goods or services don’t qualify.

Include amounts from Form ID K-1, Part VIII, line 50 to calculate the credit amount.

The credit is limited to the smallest of:

- One-half of the amount donated
- 50% of the tax on Form 43, line 42
- \$500 (\$1,000 on a joint return)
- The tax on Form 43, line 42 minus the amount on Form 43, line 43

If you have credit from an ABE (Form ID K-1, Part XI, line 59), you can add that to the amount computed above (if any). The total credit is limited to the smallest of:

- 50% of the tax on Form 43, line 42 or
- \$500 (\$1,000 on a joint return).

See page 38 for the list of qualified educational entities.

Line 2 Credit for Idaho Youth and Rehabilitation Facility Contributions

You can claim this credit if you donated cash or goods to the following:

- Qualified center for independent living
- Youth or rehabilitation facility or its foundation, or
- Nonprofit substance abuse center licensed by the Idaho Department of Health and Welfare

Include amounts from Form ID K-1, Part VIII, line 51 to calculate the credit amount.

The credit is limited to the smallest of:

- One-half of the amount donated
- 20% of the tax on Form 43, line 42
- \$100 (\$200 on a joint return)
- The tax on Form 43, line 42 minus the amounts on Form 43, line 43, Form 39NR, Part E, line 1 and Form 44, Part I, line 1

If you have credit from an ABE (Form ID K-1, Part XI, line 61), you can add that to the amount computed above (if any). The total credit is limited to the smallest of:

- 20% of the tax on Form 43, line 42 or
- \$100 (\$200 on a joint return)

See page 38 for the list of qualified youth or rehabilitation facilities and their foundations.

Line 3 Credit for Live Organ Donation Expenses

A living taxpayer who donates (or whose dependent donates) a qualified organ that's transplanted into another individual can claim a credit for expenses related to the donation.

The credit can't be more than the taxpayer's tax liability and is limited to the smaller of:

- The amount of live organ donation expenses paid by the taxpayer during the tax year, or
- \$5,000

Any unused credit can be carried over for five years.

To claim the credit, you must donate one or more of the following organs:

- Human bone marrow
- Any part of an:
 - Intestine
 - Kidney
 - Liver
 - Lung
 - Pancreas

Qualified expenses are those incurred by the taxpayer or dependent for travel, lodging, or lost wages and aren't reimbursed to the taxpayer. The expenses must be directly related to the live organ donation by the taxpayer or a dependent of the taxpayer.

Part F — Maintaining a Home for a Family Member Age 65 or Older or a Family Member with a Developmental Disability

If you didn't claim the \$1,000 deduction on Part B, line 11, you can claim a \$100 credit for each family member, not including yourself or your spouse, who:

- Is age 65 or older
- You maintain a household for, and
- You provide more than one-half of the family member's support for the year

If the home was maintained for the family member less than a full year, the credit is allowed at the rate of \$8.33 for each month the home was maintained.

You can claim this credit if your gross income is less than the filing requirement. File Form 43 and include Form 39NR.

Only residents, including Idaho residents on active military duty outside Idaho, can claim this credit.

Lines 1 and 2. Answer the two questions. If you answer yes to either question, you qualify.

Line 3. Enter the family member's name, Social Security number, relationship, and date of birth for whom you maintain a home and provide more than one-half of their support. If the claim is for a family member with a developmental disability, check the box.

Line 4. Enter the total on Form 43, line 64.