

FEDERAL FILING CHANGES AND YOUR IDAHO INCOME TAX RETURN

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The Idaho individual income tax return starts with federal taxable income. Changes made to your federal return affect your Idaho return. Below are some of the ways a federal change can affect your Idaho return.

If you file a federal return, you must file an Idaho return. Your Idaho filing status and exemptions must match the federal return.

Common IRS adjustments

The Internal Revenue Service (IRS) may correct your federal return for math or clerical errors. It may also perform an audit of your federal return. Below are some examples of common IRS adjustments:

CP2000 audit

The IRS compares the income and/or deductions reported on your federal return to information submitted by other parties such as employers, banks, and businesses. If there are differences in the information, the IRS can adjust your return. These adjustments may also affect your Idaho return and you should report those to us.

Math or clerical corrections

The IRS may correct math or clerical errors that may affect your Idaho return. The IRS commonly corrects the following errors:

- Addition, subtraction, multiplication, or division errors; especially those that affect the calculation of income or deductions

- An incorrect amount entered from tax tables, schedules, statements, lists, or supporting documents
- An incorrect deduction or credit amount that exceeds a statutory limit
- Missing or incorrect taxpayer identification numbers, especially those affecting personal exemptions claims

Federal audit

A federal audit can adjust any item on your return so it agrees with the Internal Revenue Code. If your federal adjusted gross income changes, you'll need to adjust your Idaho income tax return.

Other corrections

This publication doesn't include all possible IRS adjustments. If you're unsure whether the federal change affects your Idaho return, we recommend that you file an amended Idaho return, contact us for more information, and/or contact a tax professional to help you.

Correcting your Idaho return

Audit

If the IRS modifies your federal income in any way, you must notify us within 120 days of receiving the final federal determination. We can assess a penalty if you don't inform us of the change. You can:

- File an amended Idaho return to make the necessary changes. Include all federal audit paperwork about the adjustment, or
- Provide a copy of your federal determination and all

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federal audit paperwork about the adjustment.

Send the information to:

Tax Discovery Bureau – CP2000/Federal Audit
Idaho State Tax Commission
PO Box 36
Boise, ID 83722-0410

Please note: If you file an amended return past the three-year statute of limitations, you can change only those items directly related to the federal adjustments; however, you only have one year from the date of the final federal determination to claim any refund.

Math and clerical errors

File an amended Idaho return if federal math and clerical adjustments affect your Idaho return. Attach all IRS paperwork about the adjustment. You may owe additional tax and interest. You may also owe penalty and interest if you don't file your amended Idaho return within 120 days.

Send your amended return to:

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

For more information:

- Visit our website at tax.idaho.gov
- Email taxrep@tax.idaho.gov
- Call (208) 334-7660 in the Boise area or toll-free at (800) 972-7660
- Hearing impaired: TDD (800) 377-3529