

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 494

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1 RELATING TO INCOME TAXES; AMENDING SECTION 57-811, IDAHO CODE, TO PROVIDE
2 FOR DISTRIBUTIONS FROM THE TAX RELIEF FUND; AMENDING SECTION 63-3024A,
3 IDAHO CODE, TO REVISE PROVISIONS REGARDING FOOD TAX CREDITS AND RE-
4 FUNDS; AMENDING SECTION 63-3077G, IDAHO CODE, TO PROVIDE A CORRECT CODE
5 REFERENCE; AMENDING SECTION 63-3077H, IDAHO CODE, TO PROVIDE A CORRECT
6 CODE REFERENCE AND TO MAKE A TECHNICAL CORRECTION; AND DECLARING AN
7 EMERGENCY AND PROVIDING RETROACTIVE APPLICATION AND EFFECTIVE DATES.
8

9 Be It Enacted by the Legislature of the State of Idaho:

10 SECTION 1. That Section 57-811, Idaho Code, be, and the same is hereby
11 amended to read as follows:

12 57-811. TAX RELIEF FUND. (1) There is hereby created in the state
13 treasury the tax relief fund to which shall be credited all moneys remitted
14 from sections 63-3620F and 63-3638, Idaho Code, from federal grants, dona-
15 tions or moneys from any other source.

16 (2) An amount sufficient to fund thirty-five dollars (\$35.00) for each
17 food tax credit and refund granted pursuant to section 63-3024A, Idaho Code,
18 is hereby continuously appropriated and shall be distributed to the state
19 refund account by the state tax commission.

20 (3) Any remaining moneys in the fund are intended to fund future tax
21 relief statutes enacted by the legislature and may be expended pursuant to
22 appropriation. All interest earned on the investment of idle moneys in the
23 fund shall be returned to the fund.

24 SECTION 2. That Section 63-3024A, Idaho Code, be, and the same is hereby
25 amended to read as follows:

26 63-3024A. FOOD TAX CREDITS AND REFUNDS. (1) Any resident individual
27 who is required to file and who has filed an Idaho income tax return shall be
28 allowed a credit against taxes due under the Idaho income tax act for the tax-
29 payer, the taxpayer's spouse, and each dependent, as defined in section 152
30 of the Internal Revenue Code, claimed on the taxpayer's Idaho income tax re-
31 turn. For tax years ~~2015~~ 2020 and after, the credit is one hundred thirty-
32 five dollars (~~\$100~~135). If taxes due are less than the total credit allowed,
33 the taxpayer shall be paid a refund equal to the balance of the unused credit.

34 (2) A resident individual who is not required to file an Idaho income
35 tax return and for whom no credit or refund is allowed under any other subsec-
36 tion of this section shall, subject to the limitations of subsections (3),
37 (4), (5), (6), and (7) ~~and (8)~~ of this section, be entitled to a refund in the
38 amount provided in subsection (1) of this section.

39 ~~(3) A resident individual who has reached his sixty-fifth birthday be-~~
40 ~~fore the end of his taxable year and who has claimed the credit available un-~~

1 ~~der subsection (1) of this section, in addition to the amount of credit or~~
2 ~~refund due under subsection (1) of this section, shall be entitled to twenty~~
3 ~~dollars (\$20.00), which shall be claimed as a credit against any taxes due~~
4 ~~under the Idaho income tax act. If taxes due are less than the total credit~~
5 ~~allowed, the individual shall be paid a refund equal to the balance of the un-~~
6 ~~used credit.~~

7 ~~(4) Except as provided in subsection (98) of this section, a credit or~~
8 ~~refund under this section is only available if the individual for whom a per-~~
9 ~~sonal exemption is claimed is a resident of the state of Idaho for the tax-~~
10 ~~payer, the taxpayer's spouse, and each dependent, as defined in section 152~~
11 ~~of the Internal Revenue Code, who are Idaho residents.~~

12 ~~(54) In no event shall more than one (1) taxpayer be allowed a credit or~~
13 ~~refund for the same personal exemption individual, or under more than one (1)~~
14 ~~subsection of this section.~~

15 ~~(65) In the event that a credit or refund is attributable to any indi-~~
16 ~~vidual for whom assistance under the federal food stamp program was received~~
17 ~~for any month or part of a month during the taxable year for which the credit~~
18 ~~or refund is claimed, the credit or refund allowed under this section shall~~
19 ~~be in proportion to the number of months of the year in which no assistance~~
20 ~~was received.~~

21 ~~(76) In the event that a credit or refund is attributable to any indi-~~
22 ~~vidual who has been incarcerated for any month or part of a month during the~~
23 ~~taxable year for which the credit or refund is claimed, the credit or refund~~
24 ~~allowed under this section shall be in proportion to the number of months of~~
25 ~~the year in which the individual was not incarcerated.~~

26 ~~(87) No credit or refund shall be paid that is attributable to an indi-~~
27 ~~vidual residing illegally in the United States.~~

28 ~~(98) Any part-year resident entitled to a credit under this section~~
29 ~~shall receive a proportionate credit reflecting the part of the year in which~~
30 ~~he was domiciled in this state.~~

31 ~~(109) Any refund shall be paid to such individual only upon his making~~
32 ~~application therefor, at such time and in such manner as may be prescribed~~
33 ~~by the state tax commission. The state tax commission shall prescribe the~~
34 ~~method by which the refund is to be made to the taxpayer. The refunds autho-~~
35 ~~rized by this section shall be paid from the state refund fund in the same~~
36 ~~manner as the refunds authorized by section 63-3067, Idaho Code.~~

37 ~~(110) An application for any refund that is due and payable under the~~
38 ~~provisions of this section must be filed with the state tax commission within~~
39 ~~three (3) years of:~~

40 ~~(a) The due date, including extensions, of the return required under~~
41 ~~section 63-3030, Idaho Code, if the applicant is required to file a re-~~
42 ~~turn; or~~

43 ~~(b) The fifteenth day of April of the year following the year to which~~
44 ~~the application relates if the applicant is not required to file a re-~~
45 ~~turn.~~

46 ~~(121) The state tax commission shall provide income tax payers with the~~
47 ~~irrevocable option of donating credited funds accruing pursuant to this sec-~~
48 ~~tion. Any funds so donated shall be remitted from the refund fund to the co-~~
49 ~~operative welfare fund, created pursuant to section 56-401, Idaho Code, and~~

1 shall be used solely for the purpose of providing low-income Idahoans with
2 assistance in paying home energy costs.

3 SECTION 3. That Section 63-3077G, Idaho Code, be, and the same is hereby
4 amended to read as follows:

5 63-3077G. AGREEMENT FOR EXCHANGE OF INFORMATION WITH THE IDAHO DE-
6 PARTMENT OF CORRECTION. The state tax commission and the Idaho department of
7 correction may enter into a written agreement for exchange of information
8 relating to an individual's incarceration status and whether that indi-
9 vidual has claimed the Idaho food tax credit pursuant to section 63-3024A,
10 Idaho Code. Such information shall be confidential to the recipient and may
11 be used by the Idaho department of correction and the state tax commission
12 only for purposes of determining whether an incarcerated person erroneously
13 claimed the food tax credit in violation of section 63-3024A(76), Idaho
14 Code. No such information shall be public unless it is used in the course of
15 a judicial proceeding arising under the laws of this state. The information
16 provided by the state tax commission shall be limited to name, date of birth,
17 social security number, an indication as to whether the food tax credit was
18 claimed under that person's name or social security number for a particular
19 taxable year and incarceration status during the year at issue.

20 SECTION 4. That Section 63-3077H, Idaho Code, be, and the same is hereby
21 amended to read as follows:

22 63-3077H. AGREEMENT FOR EXCHANGE OF INFORMATION WITH THE IDAHO DE-
23 PARTMENT OF HEALTH AND WELFARE. The state tax commission and the Idaho
24 department of health and welfare may enter into a written agreement for ex-
25 change of information relating to an individual's receipt of federal food
26 stamp benefits and whether that individual has claimed the Idaho food tax
27 credit pursuant to section 63-3024A, Idaho Code. Such information shall
28 be confidential to the recipient and may be used by the Idaho department of
29 health and welfare and the state tax commission only for purposes of deter-
30 mining whether a person who was receiving federal food stamp benefits erro-
31 neously claimed the food tax credit in violation of section 63-3024A(65),
32 Idaho Code. No such information shall be public unless it is used in the
33 course of a judicial proceeding arising under the laws of this state. Any
34 information disclosed by the Idaho department of health and welfare pursuant
35 to the provisions of this section must be disclosed in compliance with the
36 privacy act of 1974, 5 U.S.C. ~~section~~ 552a, applicable federal law or regula-
37 tions regarding public assistance programs and any applicable state law or
38 regulation.

39 SECTION 5. An emergency existing therefor, which emergency is hereby
40 declared to exist, Sections 2, 3, and 4 of this act shall be in full force
41 and effect on and after passage and approval, and retroactively to January
42 1, 2020. Section 1 of this act shall be in full force and effect on and after
43 January 1, 2021.