

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 410

BY REVENUE AND TAXATION COMMITTEE

AN ACT

RELATING TO INCOME TAXES; AMENDING SECTION 63-3022S, IDAHO CODE, TO REVISE PROVISIONS REGARDING THE TAXATION OF INCOME EARNED BY MEMBERS OF FEDERALLY RECOGNIZED INDIAN TRIBES; AND DECLARING AN EMERGENCY AND PROVIDING RETROACTIVE APPLICATION.

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

SECTION 1. That Section 63-3022S, Idaho Code, be, and the same is hereby amended to read as follows:

63-3022S. INCOME EARNED ON AN INDIAN RESERVATION. (1) A taxpayer who is an enrolled member of a federally recognized Indian tribe who resides on the reservation of the Coeur d'Alene tribe, the Kootenai tribe of Idaho, the Nez Perce tribe, the Shoshone-Bannock tribes of the Fort Hall reservation or the Shoshone-Paiute tribes of the Duck Valley reservation may deduct from taxable income an amount equal to the taxpayer's income earned on the reservation of a tribe enumerated in this section, without regard to whether the reservation is the reservation of the tribe of which the taxpayer is an enrolled member.

(2) An enrolled member of a federally recognized Indian tribe who resides outside of the state of Idaho shall treat income earned by such member outside the physical boundaries of an Indian reservation in Idaho as subject to Idaho taxes. Income earned by such member within the physical boundaries of an Indian reservation in Idaho shall not be subject to Idaho taxes.

SECTION 2. An emergency existing therefor, which emergency is hereby declared to exist, this act shall be in full force and effect on and after its passage and approval, and retroactively to January 1, 2024.