

Bill Text

]]]] LEGISLATURE OF THE STATE OF IDAHO]]]]
Fifty-ninth Legislature Second Regular Session - 2008

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 588

BY REVENUE AND TAXATION COMMITTEE

AN ACT

RELATING TO INCOME TAXES; REPEALING SECTION 63-3024A, IDAHO CODE, RELATING TO THE GROCERY TAX CREDIT; AMENDING CHAPTER 30, TITLE 63, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 63-3024A, IDAHO CODE, TO PROVIDE FOR INCOME TAX CREDITS OR REFUNDS TO CERTAIN RESIDENT INDIVIDUALS, TO PROVIDE PROCEDURES, TO PROVIDE A METHOD OF PAYMENT, TO PROVIDE A STATUTE OF LIMITATIONS, TO PROVIDE FOR THE DONATION OF CREDITS, TO PROVIDE FOR CANCELLATION OF A FUTURE ADJUSTMENT AND TO PROVIDE FOR A PROCEDURE WHEN A CREDIT ADJUSTMENT SHALL NOT OCCUR; AND DECLARING AN EMERGENCY AND PROVIDING RETROACTIVE APPLICATION.

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

SECTION 1. That Section 63-3024A, Idaho Code, be, and the same is hereby repealed.

SECTION 2. That Chapter 30, Title 63, Idaho Code, be, and the same is hereby amended by the addition thereto of a NEW SECTION, to be known and designated as Section 63-3024A, Idaho Code, and to read as follows:

63-3024A. FOOD TAX CREDITS AND REFUNDS. (1) Any resident individual who is required to file and who has filed an Idaho income tax return shall be allowed a credit against taxes due under the Idaho income tax act for each personal exemption for which a deduction is permitted by section 151(b) and (c) of the Internal Revenue Code, and which is claimed on the taxpayer's Idaho income tax return. The amount of the credit for tax year 2008 shall be as follows:

When Idaho taxable income is:	The rate is:
\$1,000 or less	\$50.00
Over \$1,000	\$30.00

Subject to the limitations provided in subsections (13) and (14) of this section, the credits allowed in this subsection shall be increased by ten dollars (\$10.00) in each tax year after tax year 2008 until such time as each credit equals one hundred dollars (\$100).

If taxes due are less than the total credit allowed, the taxpayer shall be paid a refund equal to the balance of the unused credit.

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

(3) A resident individual who has reached his sixty-fifth birthday before the end of his taxable year and who has claimed the credit available under subsection (1) of this section, in addition to the amount of credit or refund due under subsection (1) of this section, shall be entitled to twenty dollars (\$20.00), which shall be claimed as a credit against any taxes due under the

1 Idaho income tax act. If taxes due are less than the total credit allowed, the
2 individual shall be paid a refund equal to the balance of the unused credit.

3 (4) Except as provided in subsection (9) of this section, a credit or
4 refund under this section is only available if the individual for whom a per-
5 sonal exemption is claimed is a resident of the state of Idaho.

6 (5) In no event shall more than one (1) taxpayer be allowed a credit or
7 refund for the same personal exemption, or under more than one (1) subsection
8 of this section.

9 (6) In the event that a credit or refund is attributable to any individ-
10 ual for whom assistance under the federal food stamp program was received for
11 any month or part of a month during the taxable year for which the credit or
12 refund is claimed, the credit or refund allowed under this section shall be in
13 proportion to the number of months of the year in which no assistance was
14 received.

15 (7) In the event that a credit or refund is attributable to any individ-
16 ual who has been incarcerated for any month or part of a month during the tax-
17 able year for which the credit or refund is claimed, the credit or refund
18 allowed under this section shall be in proportion to the number of months of
19 the year in which the individual was not incarcerated.

20 (8) No credit or refund shall be paid that is attributable to an individ-
21 ual residing illegally in the United States.

22 (9) Any part-year resident entitled to a credit under this section shall
23 receive a proportionate credit reflecting the part of the year in which he was
24 domiciled in this state.

25 (10) Any refund shall be paid to such individual only upon his making
26 application therefor, at such time and in such manner as may be prescribed by
27 the state tax commission. The state tax commission shall prescribe the method
28 by which the refund is to be made to the taxpayer. The refunds authorized by
29 this section shall be paid from the state refund fund in the same manner as
30 the refunds authorized by section 63-3067, Idaho Code.

31 (11) An application for any refund that is due and payable under the pro-
32 visions of this section must be filed with the state tax commission within
33 three (3) years of:

34 (a) The due date, including extensions, of the return required under sec-
35 tion 63-3030, Idaho Code, if the applicant is required to file a return;
36 or

37 (b) The fifteenth day of April of the year following the year to which
38 the application relates if the applicant is not required to file a return.

39 (12) The state tax commission shall provide income tax payers with the
40 irrevocable option of donating credited funds accruing pursuant to this sec-
41 tion. Any funds so donated shall be remitted from the refund fund to the coop-
42 erative welfare fund, created pursuant to section 56-401, Idaho Code, and
43 shall be used solely for the purpose of providing low-income Idahoans with
44 assistance in paying home energy costs.

45 (13) The credit adjustment required by subsection (1) of this section
46 shall not take place if a majority of the membership of each house of the leg-
47 islature adopts a concurrent resolution requesting that the governor issue an
48 executive order directing the state tax commission that the credit allowed in
49 this section remain unchanged for the tax year in which the requesting legis-
50 lature is meeting, and if the governor concurs and issues such an executive
51 order, the credit shall remain unchanged for that tax year.

52 (14) The credit adjustment required by subsection (1) of this section for
53 tax years subsequent to tax year 2008 shall not take place if all of the fol-
54 lowing conditions are met:

55 (a) The governor has ordered a temporary reduction of general fund spend-

ing authority, pursuant to section 67-3512A, Idaho Code, between July 1 and October 1 of the tax year for which the credit adjustment is to take place; and

(b) The temporary reduction of general fund spending authority is still in effect on October 1 of the tax year for which the credit adjustment is to take place; and

(c) The amount of the temporary reduction in general fund spending authority equals or exceeds one percent (1%) of the moneys that the legislature has appropriated from the general fund for the fiscal year for which the temporary reductions have been ordered; and

(d) The governor issues an executive order directing the state tax commission that the credit allowed by subsection (1) of this section remain unchanged for the tax year during which the temporary reduction of general fund spending authority has been ordered and the executive order issued.

SECTION 3. 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, 2008.