

IDAPA 35 - IDAHO STATE TAX COMMISSION

35.01.01 - INCOME TAX ADMINISTRATIVE RULES

DOCKET NO. 35-0101-1402

NOTICE OF INTENT TO PROMULGATE RULES - NEGOTIATED RULEMAKING

AUTHORITY: In compliance with Section 67-5220, Idaho Code, notice is hereby given that this agency intends to promulgate rules and desires public comment prior to initiating formal rulemaking procedures. This negotiated rulemaking action is authorized pursuant to Sections 63-105 and 63-3039, Idaho Code.

PUBLIC HEARING SCHEDULE: Interested persons wishing to participate in the negotiated rulemaking must respond to this notice by contacting the undersigned either in writing, by email, or by calling the phone number listed below. To participate, responses must be received by August 27, 2014.

Should a reasonable number of persons respond to this notice, negotiated meetings will be scheduled and all scheduled meetings shall be posted and made accessible on the agency website at the address listed below.

Upon conclusion of the negotiated rulemaking, any unresolved issues, all key issues considered, and conclusions reached during the negotiated rulemaking will be addressed in a written summary and made available on the agency website.

Failure of interested persons to respond to this notice of intent or the lack of a sufficient number of responses to this notice of intent may result in the discontinuation of further informal proceedings. In either event the agency shall have sole discretion in determining the feasibility of scheduling and conducting informal negotiated rulemaking and may proceed directly to formal rulemaking if proceeding with negotiated rulemaking is deemed infeasible.

DESCRIPTIVE SUMMARY: The following is a statement in nontechnical language of the substance and purpose of the intended negotiated rulemaking and the principle issues involved:

Rule 016 is a newly promulgated rule, intended to apply allocation and apportionment principles that currently apply in determining Idaho taxable income to the determination of gross income of a multi-state pass-through entity.

Rule 171 is being amended to provide guidance regarding the holding period requirements for the Idaho capital gains deduction.

Rule 268 is a newly promulgated rule, intended to provide guidance on the order in which a nonresident or part-year resident taxpayer can deduct suspended losses.

Rule 275 is being amended to include an example showing how a nonresident partner of a multi-state investment partnership calculates the amount of taxable income from the partnership that is included in Idaho taxable income.

Rule 291 is being amended to provide guidance regarding items allowed as a deduction to owners of an interest in a pass-through entity when the tax is paid by the entity.

CONTACT INFORMATION, WEB ADDRESS, ASSISTANCE ON TECHNICAL QUESTIONS, SUBMISSION OF WRITTEN COMMENTS: For assistance on technical questions concerning this negotiated rulemaking, contact Cynthia Adrian, (208) 334-7670. Materials pertaining to the negotiated rulemaking, including any available preliminary rule drafts, can be found on the Tax Commission web site at the following web address: www.tax.idaho.gov. All written comments must be directed to the undersigned and must be delivered on or before August 27, 2014. Comments may be submitted via email to sherry.briscoe@tax.idaho.gov.

DATED this 7th day of July, 2014.

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