

IDAPA 35 - STATE TAX COMMISSION

35.01.01 - INCOME TAX ADMINISTRATIVE RULES

DOCKET NO. 35-0101-1301

NOTICE OF INTENT TO PROMULGATE RULES - NEGOTIATED RULEMAKING

AUTHORITY: In compliance with Sections 67-5220(1) and 67-5220(2), 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 67-5221(1) and 63-105, Idaho Code.

METHOD OF PARTICIPATION: 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 May 22, 2013.

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 <http://tax.idaho.gov/>.

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 at <http://tax.idaho.gov/>.

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.

Persons wishing to participate in the negotiated rulemaking may do any of the following:

1. Attend a scheduled negotiated rulemaking meeting and participate in the negotiation process;
2. Attend through a teleconference;
3. Provide oral or written recommendations, or both, at a scheduled negotiated rulemaking meeting; and/or
4. Submit written recommendations and comments to the address below.

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:

A new rule is being promulgated consistent with House Bill 2 to allow a deduction for certain recovery amounts included in federal income if no benefit was previously allowed for Idaho income tax purposes.

A new rule is being promulgated consistent with House Bill 3 to provide that the State Tax Commission may release certain tax information in cases of identity theft.

Income Tax Rule 872 is being amended consistent with House Bill 22 to revise the reporting and paying periods for Idaho income tax withheld by certain employers.

Income Tax Rule 705 is being amended consistent with House Bill 72 to provide tax credit to dedicated accounts within the Idaho Community Foundation that exclusively support charitable purposes otherwise qualifying for the tax credit.

Income Tax Rule 263 is being amended consistent with House Bill 139 to provide for a sourcing formula to Idaho for partnership income with exceptions.

Income Tax Rule 201 is being amended consistent with House Bill 184 to revise the time period relating to a net operating loss (NOL) carryback, remove language relating to NOL subtracted from income, establish provisions relating to a NOL for a taxable year commencing on or after 1/1/13, establish provisions relating to the subtraction of a portion of a NOL, revise provisions relating to a claim for credit or refund that relates to an overpayment attributable to a NOL carryback and provide that certain claims for NOLs shall be made pursuant to law.

Income Tax Rule 033 is being changed to clarify the taxation of Idaho income of American Indians living and working on an Indian reservation.

ASSISTANCE ON TECHNICAL QUESTIONS, SUBMISSION OF WRITTEN COMMENTS, OBTAINING COPIES: For assistance on technical questions concerning this negotiated rulemaking or to obtain a copy of the preliminary draft of the text of the proposed rule, if available, contact Cynthia Adrian (208) 334-7544.

Anyone may submit written comments regarding this negotiated rulemaking. All written comments must be directed to the undersigned.

DATED this 5th day of April 2013.

Cynthia Adrian
Tax Policy Specialist
State Tax Commission
P.O. Box 36
Boise, ID 83722-0410
(208) 334-7544
<http://tax.idaho.gov/>