

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 675

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1 RELATING TO TAXES; PROVIDING LEGISLATIVE INTENT REGARDING THE ANTICIPATED
2 SALES TAX REVENUE INCREASE FROM CERTAIN INTERNET SALES; AMENDING SEC-
3 TION 63-3029L, IDAHO CODE, AS ADDED IN SECTION 6 OF HOUSE BILL NO. 463,
4 AS ENACTED BY THE SECOND REGULAR SESSION OF THE SIXTY-FOURTH IDAHO LEG-
5 ISLATURE, TO INCREASE THE CHILD TAX CREDIT; AND DECLARING AN EMERGENCY
6 AND PROVIDING RETROACTIVE APPLICATION.
7

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

9 SECTION 1. LEGISLATIVE INTENT. It is the intent of the Legislature to
10 apply the anticipated sales tax revenue increase resulting from the passage
11 by the Second Regular Session of the Sixty-Fourth Idaho Legislature of House
12 Bill No. 578, regarding the collection of Idaho sales tax on certain sales
13 by out-of-state retailers to Idaho residents, toward providing income tax
14 relief for Idaho families from the general fund.

15 SECTION 2. That Section 63-3029L, Idaho Code, as added in Section 6 of
16 House Bill No. 463, as enacted by the Second Regular Session of the Sixty-
17 fourth Idaho Legislature, be, and the same is hereby amended to read as fol-
18 lows:

19 63-3029L. CHILD TAX CREDIT. (1) For taxable years beginning on or af-
20 ter January 1, 2018, and before January 1, 2026, there shall be allowed to
21 a taxpayer a nonrefundable credit against the tax imposed by this chapter
22 in the amount of ~~one two hundred thirty five~~ one hundred twenty five dollars (\$~~130~~205) with respect
23 to each qualifying child of the taxpayer. For purposes of this section, the
24 term "qualifying child" has the meaning as defined in section 24(c) of the
25 Internal Revenue Code. In no event shall more than one (1) taxpayer be al-
26 lowed this credit for the same qualifying child.

27 (2) In the case of divorced parents or parents who do not live together,
28 if the qualifying child is in the custody of one (1) or both of the child's
29 parents for more than one-half of a calendar year, such child is the qualify-
30 ing child of the custodial parent for the taxable year beginning during such
31 calendar year. However, the child may be the qualifying child of the noncus-
32 todial parent if either of the following requirements are met:

33 (a) A court of competent jurisdiction has unconditionally awarded, in
34 writing, the noncustodial parent the tax credit authorized under this
35 section and the noncustodial parent attaches a copy of the court order
36 to the noncustodial parent's income tax return for the taxable year; or

37 (b) The custodial parent signs a written declaration that such custo-
38 dial parent will not claim the credit of this section with respect to
39 such child for any taxable year beginning in such calendar year and the
40 noncustodial parent attaches such written declaration to the noncusto-

1 dial parent's income tax return for the taxable year beginning during
2 such calendar year.

3 SECTION 3. An emergency existing therefor, which emergency is hereby
4 declared to exist, this act shall be in full force and effect on and after its
5 passage and approval, and retroactively to January 1, 2018.