

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 410

BY ERPELDING

AN ACT

1 RELATING TO INCOME TAX CREDITS; AMENDING CHAPTER 30, TITLE 63, IDAHO CODE,
2 BY THE ADDITION OF A NEW SECTION 63-3029M, IDAHO CODE, TO PROVIDE AN IN-
3 COME TAX CREDIT TO A RESIDENT INDIVIDUAL OR PART-YEAR RESIDENT INDIVID-
4 UAL BASED ON A PERCENT OF THE AMOUNT OF THE FEDERAL EARNED INCOME TAX
5 CREDIT CLAIMED ON THE INDIVIDUAL'S FEDERAL INCOME TAX RETURN AND TO PRO-
6 VIDE PROCEDURES; DECLARING AN EMERGENCY AND PROVIDING RETROACTIVE AP-
7 PPLICATION.
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9 Be It Enacted by the Legislature of the State of Idaho:

10 SECTION 1. That Chapter 30, Title 63, Idaho Code, be, and the same is
11 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
12 ignated as Section 63-3029M, Idaho Code, and to read as follows:

13 63-3029M. WORKING FAMILIES TAX CREDIT. (1) A resident individual or
14 part-year resident individual is allowed a credit against the tax imposed by
15 this chapter equal to eight percent (8%) of the amount of the federal earned
16 income tax claimed on the individual's federal income tax return or, in the
17 case of a part-year resident individual, such amount as shall reflect eight
18 percent (8%) of the federal earned income credit earned while a resident of
19 Idaho. To receive the credit, the taxpayer must be eligible for a credit un-
20 der section 32 of the Internal Revenue Code.

21 (2) If taxes due are less than the total credit allowed, the taxpayer
22 shall be paid a refund equal to the balance of the unused credit. If the
23 credit or refund is not claimed for the year for which the individual income
24 tax return is filed, the right thereafter to claim such credit or refund
25 shall be forfeited. The credit shall not be carried forward as a tax credit
26 against the individual's subsequent years' income tax liability. The state
27 tax commission shall prescribe the method by which the refund, if any, is to
28 be made to the taxpayer.

29 SECTION 2. An emergency existing therefor, which emergency is hereby
30 declared to exist, this act shall be in full force and effect on and after its
31 passage and approval, and retroactively to January 1, 2016.