

IDAHO SPECIFIC TAX

Revised 1/24/2020

American Indians - Exempted income

Income exempted from Idaho Income Tax - Idaho Instructions - Pg 3

Must meet three requirements

1. A registered member of a tribe recognized by the US
2. Living on tribal land (reservation)
3. Reservation sourced income while working on the reservation

Note: If the TP meets the first 2 tests, the reservation sourced income and also interest from banks is non-taxable.

Donations for Youth & Rehab Facilities/Educational Entities

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Note: Up to \$2000 (MFJ) can be donated to Idaho schools and \$400 (MFJ) of cash/noncash can be donated to Idaho Youth organizations. Credits for donations are limited to a maximum 50% credit but can be further limited by the taxpayer income tax liability.

College Savings Program (Form 39R, line 14)

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May contribute and subtract \$6,000 (Sgl) \$12,000 (Joint) each year from Idaho income.
Withdrawals not used for allowable 529 education purposes must be reported as income.
Use Form 39R line 14.

Health Insurance & Long-Term Care Premiums (Form 39R, lines 18 & 19)

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Note: Long Term Care premiums deductions from Idaho income are not limited by age as are federal itemized deductions. If not fully used by itemizing deductions on the Idaho return, the entire Long Term Care premium may be entered as a subtraction on Idaho Form 39R on line 18.

Income for Idaho

Idaho Instructions - Pg 4

Includes Idaho source income and nonresident income for full time Idaho residents.

Medical Savings Account (Form 39R line 13)

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May contribute and deduct up to \$10,000 (Sgl) \$20,000 (Joint) each year.
Interest on the account can be added only if included as IRS income and included on Form 40 line 9.

Non-Residents & Part Year Residents (Form 43)

Retirement (Pension) Income – All/portion of 1099R benefits may be deductible on 39R line B8

Idaho Instructions - Pg 22

Social Security and Railroad benefits (tier I and II) - non taxable

US Civil Service - *

Idaho Fireman's State Benefits - *

Policeman's Idaho City Benefits - *

US Military Retirement Benefits - *

* All benefits, other than Social Security, may be limited by the total Social Security and/or Railroad Tier 1 benefits received by taxpayer and spouse. Idaho Instructions pg 20