

STATEMENT OF PURPOSE

RS26441

This bill relates to income taxes. It is the annual bill to update references to the Internal Revenue Code (IRC). The bill conforms the Idaho income tax code to changes made to the IRC that affect the 2018 taxable year. The Idaho income tax code uses federal taxable income as a starting point for both businesses and individuals. Our tax forms use federal adjusted gross income as a starting point. Idaho uses a static conformity to a specific date, currently January 1, 2018. This bill updates Idaho Code section 63-3004, to January 1, 2019.

FISCAL NOTE

Conforming to the Internal Revenue Code as of January 1, 2019, will result in a one-time reduction in General Fund revenue of approximately \$320,000 in FY 2019.

This amount relates to an extension of a few expired laws that were not included in last year's conformity bill. These extensions expired December 31, 2017.

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DISCLAIMER: This statement of purpose and fiscal note are a mere attachment to this bill and prepared by a proponent of the bill. It is neither intended as an expression of legislative intent nor intended for any use outside of the legislative process, including judicial review (Joint Rule 18).