

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 366

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1 RELATING TO TAXES; AMENDING CHAPTER 30, TITLE 63, IDAHO CODE, BY THE ADDI-
2 TION OF A NEW SECTION 63-3077F, IDAHO CODE, TO PROVIDE THAT THE STATE TAX
3 COMMISSION MAY ENTER INTO AGREEMENTS WITH OTHER STATES FOR THE MUTUAL
4 OFFSET OF ANY REFUNDS OR OTHER AMOUNTS DUE AND PAYABLE BY EITHER PARTY
5 AGAINST SUCH TAX LIABILITIES OWED TO THE OTHER PARTY TO THE AGREEMENT
6 SUBJECT TO CERTAIN CONDITIONS AND LIMITATIONS.
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8 Be It Enacted by the Legislature of the State of Idaho:

9 SECTION 1. That Chapter 30, Title 63, Idaho Code, be, and the same is
10 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
11 ignated as Section 63-3077F, Idaho Code, and to read as follows:

12 63-3077F. AGREEMENT WITH OTHER STATES FOR OFFSET OF REFUNDS. (1) The
13 state tax commission may enter into agreements with another state of the
14 United States relating to tax imposed under the laws of the other state, in-
15 cluding additions to tax for penalties and interest, which is finally due and
16 payable to that state by a taxpayer. The agreement may provide for the mutual
17 offset of any refunds or other amounts payable by either party against such
18 tax liabilities owed to the other party to the agreement.

19 (2) Any such agreement shall require that no offset may be made unless
20 all administrative and judicial remedies available in the other state have
21 been exhausted or have lapsed, and the tax is legally enforceable under the
22 laws of the other state against the taxpayer, whether or not there is an out-
23 standing judgment for such sum.

24 (3) No refunds from this state shall be available for offset against
25 any debt owed another state until any debts subject to offset that are owed
26 to this state or agency thereof or subject of offset under sections of this
27 chapter have been satisfied.

28 (4) The state tax commission shall not enter into an agreement under
29 this section unless the terms of the agreement are fully reciprocal as to
30 offsets of refunds payable by the other state to pay tax liabilities of this
31 state.