



MULTISTATE INCOME/FRANCHISE TAX

Idaho enacted legislation reduces income tax rates and provides one-time tax rebate

Tax Alert

Overview

[Idaho House Bill 380](#) (H.B. 380) was signed into law by Governor Brad Little on May 10, 2021. H.B. 380 modifies the Idaho income tax brackets and reduces the income tax rates for individuals, estates, trusts, and corporations retroactively effective January 1, 2021.

H.B. 380 reduces all income tax bracket rates for individuals, estates, and trusts, reducing the highest income tax rate from 6.925% to 6.5%. Similarly, the bill reduces the corporate tax rate from 6.925% to 6.5%.

Additionally, the bill establishes the 2021 Idaho Tax Rebate Fund effective July 1, 2021. This fund provides a one-time, nontaxable rebate to Idaho residents who have filed both 2020 and 2019 Idaho Individual Income Tax Returns. The rebate is equal to approximately 9% of the tax amount reported on 2019 Form 40, line 20, or \$50 per taxpayer and each dependent, whichever is greater. For service members, the rebate is equal to approximately 9% of 2019 Form 43, line 42, or \$50 per taxpayer and each dependent, whichever is more.

Get in touch

[Scott Schiefelbein](#)

[Andrea Vogt](#)



30 Rockefeller Plaza
New York, NY 10112-0015
United States

This alert contains general information only and Deloitte is not, by means of this alert, rendering accounting, business, financial, investment, legal, tax, or other professional advice or services. This alert is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your business. Before making any decision or taking any action that may affect your business, you should consult a qualified professional advisor. Deloitte shall not be responsible for any loss sustained by any person who relies on this alert.

As used in this document, "Deloitte" means Deloitte Tax LLP, a subsidiary of Deloitte LLP. Please see www.deloitte.com/us/about to learn more about our legal structure. Certain services may not be available to attest clients under the rules and regulations of public accounting.

Copyright © 2021 Deloitte Development LLC. All rights reserved.