

## Income/Franchise:

### Idaho: Proposed Rules Reflect Single Sales Factor Apportionment and Market-Based Sourcing

*Proposed Changes to sections (Rules) 300-699, Idaho State Tax Comm. (9/4/22).* The Idaho State Tax Commission proposed administrative rule revisions that, among other proposed changes and updates, reflect legislation enacted earlier this year [see H.B. 563 (2022) and previously issued Multistate Tax Alert for more details on these law changes] that incorporates a single sales factor apportionment formula (including a “throwback” rule on sales of tangible personal property where the Idaho corporate income taxpayer is not taxable in the state of the purchaser) and adopts market-based sourcing for sales other than sales of tangible personal property for state corporate income tax purposes. The proposal also reflects some newer rules for calculating the taxable income of multistate or unitary corporations and provisions pertaining to alternative apportionment. Many of the proposed edits are patterned after Multistate Tax Commission model provisions. Please contact us with any questions.

**URL:** [https://tax.idaho.gov/pubs/EPB00209\\_09-04-2022.pdf](https://tax.idaho.gov/pubs/EPB00209_09-04-2022.pdf)

**URL:** <https://legislature.idaho.gov/sessioninfo/2022/legislation/H0563/>

**URL:** <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/us-idaho-adopts-single-sales-factor-and-market-sourcing-apportionment.pdf>

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