

**BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO**

In the Matter of the Protest of	)	
	)	DOCKET NO. 13431
[Redacted],	)	
	)	DECISION
Petitioners.	)	
_____	)	

On January 6, 1999, the staff of the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination to [Redacted] (taxpayers), proposing income tax, penalty, and interest for the taxable years 1993 through 1997, in the total amount of \$20,426.

On March 9, 1999, the taxpayers filed a timely appeal and petition for redetermination. The taxpayers requested a hearing but, due to various circumstances, one was not held. However, the taxpayers did submit their returns for the taxable years 1994 through 1997. The Tax Commission, having reviewed the file, hereby issues its decision.

[Redacted]. The Bureau concluded the taxpayers had income in excess of the filing requirement of Idaho Code section 63-3030 and issued a Notice of Deficiency Determination.

The taxpayers appealed the Bureau's determination stating they would submit returns for the years in question. The taxpayers submitted returns to the Bureau for the taxable years 1994 through 1996. The taxpayers did not submit a 1993 return but stated they did not reside or work in Idaho in 1993. The returns the taxpayers submitted showed only zeros as entries. The Bureau found these unacceptable and sent the case for administrative review.

The Tax Commission corresponded with the taxpayers and they subsequently submitted amended returns for the taxable years 1994 through 1997. The Tax Commission reviewed the amended returns and found them to be a better representation of the taxpayers' taxable income.

Therefore, the Tax Commission accepted the taxpayers' amended returns, subject to the normal review process of the Tax Commission, in lieu of the returns prepared by the Bureau.

For the taxable year 1993, the information available showed that the [Redacted] employed Mr. [Redacted] and reported his wages to the Idaho Department of Labor. The taxpayers failed to provide a return or any documentation to refute the Bureau's determination for the taxable year 1993. The taxpayers failed to meet their burden of proving error on the part of the deficiency determination for that year. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810, 814, 683 P.2d 846, 850 (1984). Therefore, the Tax Commission upholds the Bureau's determination of tax, penalty, and interest for 1993.

WHEREFORE, the Notice of Deficiency Determination dated January 6, 1999, is hereby MODIFIED, in accordance with the provisions of this decision and, as so modified, is APPROVED, AFFIRMED, AND MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the taxpayers pay the following tax, penalty, and interest:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
1993	\$1,776	\$444	\$1,047	\$ 3,267
1994	\$2,835	\$709	\$1,457	\$ 5,001
1995	\$2,009	\$502	\$ 858	\$ 3,369
1996	\$1,931	\$483	\$ 664	\$ 3,078
1997	\$2,013	\$503	\$ 517	<u>\$ 3,033</u>
			<b>TOTAL DUE</b>	<u><b>\$17,748</b></u>

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of the taxpayers' right to appeal this decision is included with this decision.

DATED this \_\_\_\_ day of \_\_\_\_\_, 2001.

IDAHO STATE TAX COMMISSION

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COMMISSIONER

**CERTIFICATE OF SERVICE**

I hereby certify that on this \_\_\_\_ day of \_\_\_\_\_, 2001, a copy of the within and foregoing DECISION was served by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[REDACTED] Receipt No. [Redacted]  
[REDACTED][REDACTED]

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ADMINISTRATIVE ASSISTANT 1