

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 13662
[REDACTED],)	
)	DECISION
Petitioners.)	
_____)	

On March 9, 1999, the Tax Discovery Bureau of the Idaho State Tax Commission issued a Notice of Deficiency Determination to [Redacted] (taxpayer), asserting income taxes, penalty and interest in the amount of \$82,905 for the 1995 through 1997 taxable years. On May 6, 1999, the taxpayer filed a timely protest and petition for redetermination. The taxpayer did not request an informal conference before a Commissioner of the Idaho State Tax Commission. Having reviewed the file, the Tax Commission hereby issues its final decision upholding the Notice of Deficiency Determination.

This is a nonfiler case. [Redacted] is a law firm doing business in [Redacted], Idaho. Based on information obtained by the Commission’s Tax Discovery Bureau, it appeared that the law firm had an Idaho corporate income tax filing requirement. The taxpayer did not respond to the information request made by the Tax Discovery Bureau. As a result, the Bureau issued the Notice of Deficiency Determination that is the subject matter of this dispute.

In the May 6, 1999 letter of protest the representative of the firm indicated that she was in the process of reviewing documentation that purportedly established that the tax deficiency calculation was in error. The representative then went on to assert that she would “present all of the necessary documentation to you in its entirety, upon completion.” Letter of protest. That was over two years ago, and no documentation or other explanation has been provided to support the taxpayer’s claim that the Notice of Deficiency Determination was incorrect. As a result, the Tax Commission hereby upholds the March 9, 1999 Notice of Deficiency Determination in its

entirety. See Parsons v. Idaho State Tax Com'n, 110 Idaho 572, 574-575 n.2, 716 P.2d 1344, 1346-1347 n.2 (Ct.App. 1986) (The taxpayer has the burden to show that a deficiency determination is incorrect.).

WHEREFORE, the Notice of Deficiency Determination dated March 9, 1999, is hereby APPROVED, AFFIRMED, AND MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the taxpayer pay the following taxes, penalty and interest:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
1995	\$17,118	\$4,280	\$7,368	\$28,766
1996	18,122	4,531	6,296	28,949
1997	23,597	5,899	6,142	<u>35,638</u>
			TOTAL	<u>\$93,353</u>

Interest is calculated through August 31, 2001, and will continue to accrue at the rate set forth in Idaho Code § 63-3045(6) until paid.

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

An explanation of the taxpayer's right to appeal this decision is enclosed with this decision.

DATED this _____ day of _____, 2001.

IDAHO STATE TAX COMMISSION

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]

ADMINISTRATIVE ASSISTANT 1