

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

In the Matter of Protest of )  
 ) DOCKET NO. 14175  
[REDACTED], )  
 ) DECISION  
 )  
Petitioners. )  
\_\_\_\_\_ )

On August 18, 1999, the staff of the Tax Discovery Bureau of the Idaho State Tax Commission issued a Notice of Deficiency Determination to [Redacted](taxpayers), proposing income taxes, penalties, and interest for the taxable years 1992, 1993, 1995, and 1997 in the total amount of \$6,539.

On October 20, 1999, the taxpayers filed a timely appeal and petition for redetermination. The taxpayers requested a hearing, which was held on August 2, 2000. The Tax Commission, having reviewed the file, hereby issues its decision.

The Tax Discovery Bureau (Bureau) found in the information available to it that the taxpayers had W-2 wages and wages reported to the Idaho Department of Labor. The Bureau sent the taxpayers a letter asking if they were required to file Idaho income tax returns and, if so, were the returns filed. The taxpayers did not respond to the Bureau's inquiry.

The Bureau reviewed the available information and determined the taxpayers were required to file Idaho income tax returns. The Bureau prepared returns for the taxpayers based upon the wage information and sent the taxpayers a Notice of Deficiency Determination. The taxpayers protested stating they had federal and state forms which disputed the figures used by the Bureau.

The taxpayers requested a meeting with the specialist working the case. A meeting was held on November 22, 1999. The specialist told the taxpayers the Tax Commission did not have

their Idaho income tax returns for 1992 through 1995 and 1997. The specialist provided the taxpayers with forms and instructions for each of the years, and the taxpayers agreed to have the returns completed by the end of the year.

The Bureau did not receive the taxpayers' returns, so on March 14, 2000 the Bureau contacted the taxpayers. The taxpayers stated the returns were completed and that they would bring them in or put them in the mail by Friday of that week. After a couple of months, the Bureau still had not received the taxpayers' returns. The Bureau contacted the taxpayers again on May 8, 2000 asking for the completed returns. The taxpayers stated the returns were ready, they had just never sent them in. The taxpayers stated they would send the returns in right away.

The Bureau never received the taxpayers' returns, so the case was forwarded for administrative review. The Tax Commission sent the taxpayers a letter setting forth their administrative appeal rights. The taxpayers responded stating they wanted a meeting to get the matter resolved. A meeting/hearing was held on August 2, 2000, in which the taxpayers stated they did not have their returns completed. The taxpayers also did not have any additional information to submit for consideration. The taxpayers stated they had medical expenses that could be itemized and therefore they needed to meet with their accountant. The taxpayers asked that they be given until September 15, 2000 to submit their returns. The Tax Commission granted the extension and provided the taxpayers with forms and instructions for each of the years involved.

September 15, 2000 came and went with no returns received from the taxpayers. The taxpayers made no further contact with the Tax Commission. Therefore, the Tax Commission decided the matter based on the information available in the file.

The Tax Commission's records showed the taxpayers had wages from Idaho employment in excess of Idaho's filing requirement. (Idaho Code § 63-3030) Therefore, the Tax Commission agreed with the Bureau that the taxpayers were required to file Idaho individual income tax returns.

The Tax Commission reviewed the income figures the Bureau used to calculate the taxpayers Idaho tax. The Tax Commission agreed with the figures for all but two of the tax years. The Tax Commission found errors in the income amounts for the tax years 1993 and 1997. The Tax Commission corrected those errors and modified the Notice of Deficiency Determination.

The Bureau also added penalty and interest in accordance with Idaho Code §§ 63-3046 and 63-3045. The Tax Commission reviewed those additions and found them appropriate.

WHEREFORE, the Notice of Deficiency Determination dated August 18, 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>
1992	\$ 476	\$119	\$315	\$ 910
1993	874	219	486	1,579
1995	1,694	424	666	2,784
1997	617	154	138	<u>909</u>
			TOTAL DUE	<u>\$6,182</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 enclosed with this decision.

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

IDAHO STATE TAX COMMISSION

\_\_\_\_\_  
COMMISSIONER

**CERTIFICATE OF SERVICE BY MAIL**

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