

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 14427
[Redacted],)	
)	DECISION
Petitioners.)	
_____)	

On September 27, 1999, the staff of the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination to [Redacted] (taxpayers), for the taxable years 1993 through 1997, in the total amount of \$19,103.

On November 3, 1999, the taxpayers filed a timely appeal and petition for redetermination. The taxpayers did not request a hearing but submitted additional information regarding the petition for redetermination. Therefore, the Tax Commission, having reviewed the entire 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 did not owe the full amount of tax as set forth in the Notice of Deficiency Determination. They further stated that Mr. [Redacted] was out of the state for a large part of 1996 and 1997. The taxpayers requested additional time to compile their records and subsequently submitted an Idaho Individual Income Tax Return for 1994. Upon receiving the taxpayers' 1994 return, the Bureau cancelled the Notice of Deficiency Determination for that year. The Bureau received no further information from the taxpayers and sent the case for administrative review.

The taxpayers contacted the Tax Commission asking what additional information the Tax Commission needed. The taxpayers stated they had W-2s for Mrs. [Redacted] and had requested

W-2 information from the IRS for Mr. [Redacted] in order to submit actual returns. They also stated they filed returns and paid taxes to another state. The Tax Commission asked the taxpayers to provide copies of the W-2 information and their returns but the taxpayers failed to provide any documentation.

However, the Tax Commission did obtain additional withholding information on Mr. [Redacted] wages and adjusted the Notice of Deficiency Determination to reflect the appropriate credit for taxable years 1993, 1995, and 1996. The taxpayers were also given credit in the amount of \$24.61 for Mrs. [Redacted] withholdings in 1996. [Redacted]. Therefore, the Tax Commission adjusted the notice accordingly.

The information the taxpayers did provide indicated that they were part-year residents in 1996 and nonresidents in 1997. Based on their nonresident status for 1997, the Tax Commission concluded the taxpayers did not meet the filing requirement set forth in Idaho Code section 63-3030. Therefore, the Tax Commission cancelled the Notice of Deficiency Determination for 1997.

Taxable year 1993 resulted in a refund after the adjustments made by the Tax Commission. However, Idaho Code section 63-3035(e) states that an application for any refund must be made within three years of the due date of the return. The statute of limitations for the taxpayers' 1993 return expired on April 15, 1997. The taxpayers have yet to submit a 1993 return. Therefore, no refund is allowed.

WHEREFORE, the Notice of Deficiency Determination dated September 27, 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>REFUND</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
1993	\$0	\$ 0	\$ 0	\$ 0	\$ 0
1995	0	224	56	96	376
1996	0	156	39	54	<u>249</u>
				TOTAL DUE	<u>\$625</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

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