

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 14535
[Redacted],)	
)	DECISION
Petitioners.)	
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On February 15, 2000, the Tax Discovery Bureau of the Idaho State Tax Commission (Bureau) issued a Notice of Deficiency Determination to [Redacted] (taxpayers), proposing income tax, penalty, and interest for the tax year 1997 in the amount of \$3,597.

The taxpayers filed a timely protest and submitted additional information. They did not request a hearing. The Tax Commission, having reviewed the file, hereby issues its decision based upon the information contained in the file.

The taxpayers lived in Idaho and appeared to satisfy the filing requirements for filing an Idaho individual income tax return for 1997. [Redacted]. [Redacted].

Idaho Code § 63-3045 (1)(a) states:

63-3045. Notice of redetermination or deficiency -- Interest. (1) (a) If, in the case of any taxpayer, the state tax commission determines that there is a deficiency in respect of the tax imposed by this title, the state tax commission shall, immediately upon discovery thereof, send notice of such deficiency to the taxpayer by registered or certified mail or by other commercial delivery service providing proof of delivery, whichever is the most cost efficient. The notice shall be sent to the taxpayer's last address known to the state tax commission. The notice of deficiency shall be accompanied by an explanation of the specific reason for the determination and an explanation of the taxpayer's right to appeal. Within sixty-three (63) days after such notice is mailed, the taxpayer may, at his option, file a protest in writing with the state tax commission and obtain redetermination of the deficiency.

Because the taxpayer did not file an Idaho individual income tax return for 1997, the Bureau prepared a provisional Idaho return and sent the taxpayers a Notice of Deficiency Determination.

The taxpayers sent a copy of their federal return, which included a Schedule A and a Form 8396, Mortgage Interests Credit. With that information, the Bureau was able to reduce the amounts shown in the deficiency notice. The Bureau mailed the taxpayers the adjusted figures. However, the taxpayers did not acknowledge receipt of that letter or two additional letters sent to them by the Tax Commission. They did not withdraw their protest or answer a letter advising them of their appeal rights.

The taxpayers have not filed a 1997 Idaho income tax return. Therefore, based upon the information in the file, the Tax Commission finds the deficiency determination, as amended, is an accurate reflection of the taxpayers' Idaho income tax, penalty, and interest.

WHEREFORE, the Notice of Deficiency Determination dated February 15, 2000, is hereby MODIFIED, 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 for 1997:

<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
\$1,539	\$385	\$354	\$2,278

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