

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 14544
[Redacted],)	
)	DECISION
Petitioners.)	
)	
)	

On November 23, 1999, 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 taxable years 1993 and 1994 in the total amount of \$3,147.

[Redacted] filed a timely appeal. She did not request a hearing; however, she did submit additional information. The Tax Commission, having reviewed the file, hereby issues its decision based upon the information contained in the file.

The Tax Commission did not have a record of having received the taxpayers' Idaho income tax returns for 1993 or 1994 even though the taxpayers satisfied the filing requirements stated in Idaho Code § 63-3030. [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 taxpayers did not appear to have filed Idaho income tax returns for 1993 and 1994 and did not answer correspondence from the Bureau, the Bureau prepared provisional returns and issued a deficiency notice. In response to the notice, [Redacted] wrote a note stating that [Redacted] was deceased. She said she was sure they had filed Idaho returns for both years. She enclosed a copy of each return. The returns were unsigned but W-2s accompanied them.

The Bureau wrote back to [Redacted] to explain that neither return could be located in the records of the Tax Commission, and no record of the payment of the tax due shown in those returns existed. The Bureau asked Judy to send a copy of the canceled checks showing the Tax Commission had received the remittances. The document numbers shown on the canceled checks would identify the location of the payments and the returns that were filed with them. [Redacted] did not answer that letter or two additional letters including one from the Tax Appeals Specialist wherein her appeal rights were explained. No further information has been received.

A Notice of Deficiency Determination issued by the Idaho State Tax Commission is presumed to be accurate. Parsons v. Idaho State Tax Com'n, 110 Idaho 572 (Ct. App. 1986). Having presented no information in support of their argument, the taxpayers have failed to meet their burden of proving error on the part of the deficiency determination. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

The taxpayers met the requirements for filing Idaho income tax returns for 1993 and 1994. Yet, the Tax Commission could find no record of having received either of the taxpayers' returns or the tax payments associated with those returns. The Tax Commission finds the Bureau's determination is appropriate but should be adjusted to agree with the returns that were submitted by [Redacted].

WHEREFORE, the Notice of Deficiency Determination dated November 23, 1999, is

MODIFIED and, as so modified, is hereby 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	\$664	\$166	\$389	\$1,219
1994	580	145	272	<u>997</u>
			TOTAL	<u>\$2,216</u>

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

An explanation of taxpayers' 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 I have on this ____ day of _____, 2001, served a copy of the within and foregoing DECISION by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[Redacted]

ADMINISTRATIVE ASSISTANT 1