

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 14551
[Redacted],)	
)	DECISION
Petitioner.)	
_____)	

On November 29, 1999, the staff of the Tax Discovery Bureau of the Idaho State Tax Commission issued a Notice of Deficiency Determination to [Redacted] (taxpayer), proposing income tax, penalty, and interest for the taxable years 1992 through 1994 in the total amount of \$14,518.

On January 27, 2000, the taxpayer filed a timely appeal and petition for redetermination. The taxpayer did not respond to the Tax Commission's letters setting forth his options for a redetermination. Therefore, the Tax Commission, having reviewed the file, hereby issues its decision.

[Redacted]. The Bureau researched the Tax Commission's records and found the taxpayer had not filed Idaho income tax returns for the taxable years 1990 forward. The Bureau sent the taxpayer a letter asking about his filing requirement with the state of Idaho. The taxpayer did not respond.

The Bureau researched the matter further and determined the taxpayer had established himself as being domiciled in Idaho. The taxpayer purchased an Idaho driver's license in 1989; he earned wages that were reported to the Idaho Department of Labor in 1990 and 1991; he registered a vehicle in Idaho in 1993; and he maintained an address in [Redacted], Idaho. The Bureau determined the taxpayer met Idaho's filing requirements and prepared returns for the taxpayer for the taxable years 1992 through 1995. The Bureau sent the taxpayer a Notice of Deficiency Determination, which the taxpayer protested.

The taxpayer stated he has not resided in Idaho since 1992. He stated all the income he earned during that period was reportable to the state of Montana. The taxpayer said he would verify his statements by submitting copies of his Montana returns.

The taxpayer failed to submit any additional information or returns to the Bureau. Consequently, the Bureau referred the case for administrative review.

As previously stated, the taxpayer did not respond to the letters the Tax Commission sent to him for redetermining the Notice of Deficiency Determination. Therefore, the Tax Commission based its decision on the information presently available.

After the Bureau received the taxpayer's protest letter, the Bureau sent an inquiry letter to the Montana Department of Revenue. The information obtained showed that the taxpayer filed income tax returns with Montana for the taxable years 1992 through 1995. The returns filed by the taxpayer stated that he was a nonresident of Montana in 1992, a part-year resident of Montana in 1993 and 1994, and a full-year resident of Montana in 1995. Based on this information, the Bureau cancelled the Notice of Deficiency Determination for the taxable year 1995. On December 21, 2000, the Bureau sent a letter to the taxpayer stating the 1995 Notice of Deficiency Determination had been cancelled. However, the remaining years of 1992 through 1994 were still at issue.

The information available shows the taxpayer had a filing requirement with the state of Idaho for the taxable years 1992 through 1994. The record also suggests the taxpayer may be entitled to a credit for taxes paid to the state of Montana for the years 1992 through 1994. However, the record is lacking sufficient detailed information to make the calculation for a credit for taxes paid to Montana.

The taxpayer has failed to meet his burden of showing the returns prepared by the Bureau were incorrect. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810, 814, 683 P.2d 846, 850 (1984). Therefore, the Tax Commission upholds the Bureau's determination for the taxable years 1992 through 1994.

The Bureau added interest and penalty to the taxpayer's Idaho tax deficiency. The Tax Commission reviewed those additions and finds both to be appropriate per Idaho Code sections 63-3045 and 63-3046.

WHEREFORE, the Notice of Deficiency Determination dated November 29, 1999, is hereby APPROVED, AFFIRMED, and MADE FINAL.

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

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
1992	\$ 863	\$ 216	\$ 620	\$ 1,699
1993	3,264	816	2,002	6,082
1994	4,462	1,116	2,398	<u>7,976</u>
			TOTAL DUE	<u>\$15,757</u>

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 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