

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 14562
[REDACTED],)	
)	DECISION
Petitioner.)	
_____)	

On November 10, 1999, the Tax Discovery Bureau of the Idaho State Tax Commission (Bureau) issued a Notice of Deficiency Determination to [Redacted] (taxpayer), proposing additional individual income taxes, penalties, and interest in the amount of \$896 for 1995.

The taxpayer filed a timely appeal and petition for redetermination. She did not request a conference. The Tax Commission has reviewed the file, is advised of its contents, and hereby issues its decision based thereon.

Idaho Code § 63-3002 provides:

Declaration of intent. It is the intent of the legislature by the adoption of this act, insofar as possible to make the provisions of the Idaho act identical to the provisions of the Federal Internal Revenue Code relating to the measurement of taxable income, to the end that the taxable income reported each taxable year by a taxpayer to the internal revenue service shall be the identical sum reported to this state, subject only to modifications contained in the Idaho law; . . .

The intent of the Idaho Legislature is to follow the federal determination subject only to modifications contained in Idaho law. [Redacted]. Because those changes resulted in additional taxable income, a deficiency notice was issued to the taxpayer, which she appealed.

After her initial protest, the taxpayer telephoned the Bureau several times to talk about the determination. She said her daughter was living with her when she had a baby. She said they lived with her from January to September in 1995. She said her daughter was on the WIC program.

The taxpayer asked for and was granted a delay in rendering a decision regarding her appeal

in order to allow her an opportunity to persuade the IRS that she had the right to claim her daughter and granddaughter as dependents in 1995. She provided a notarized statement from a co-worker that said: "To Whom It May Concern: This is concerning [Redacted]and her daughter, [Redacted]. In reference to the years 1995, 1996 and 1997 I would have to say that she lived there with [Redacted] almost all the time. There were times when she would move out for a couple of weeks only to return and stay again for several months."

The Bureau wrote to the taxpayer acknowledging her protest and advising her the file would be held in abeyance. No other information has been provided. The last communication the taxpayer has had with the Tax Commission was a telephone call on June 9, 2000. She has not responded to correspondence since that date. In fact, she did not acknowledge a notice mailed to her by the Bureau to advise her the file was being transferred to the Legal/Tax Policy Division for administrative review or the letter that outlined her appeal rights.

The taxpayer has not suggested the IRS changed its decision that denied the two exemptions nor has she provided any evidence that the determination was in error. The taxpayer's only claim is that her daughter and grandchild lived with her for a certain period of time during 1995. Nothing has been submitted that would prove the taxpayer paid more than half of their living expenses or that she had the right to claim them as dependents for tax year 1995.

Based upon the information in the file and the applicable law, the Tax Commission finds the Notice of Deficiency Determination should be upheld as asserted.

WHEREFORE, the Notice of Deficiency Determination dated November 10, 1999, is hereby APPROVED, AFFIRMED, AND MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the taxpayer pay the following taxes, penalties, and interest for 1995:

TAX
\$665

PENALTY
\$33

INTEREST
\$259

TOTAL
\$957

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 enclosed with this decision.

DATED this ____ day of _____, 2001.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE BY MAIL

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] _____
[Redacted]