



stating that she moved into Idaho during the 1998 tax year and was therefore a part-year resident of Idaho in 1998.

The Bureau determined that the taxpayer had used the incorrect form when she filed her 1998 Idaho return; the taxpayer should have completed her return using a form for part-year residents. The Bureau prepared a part-year resident return for the taxpayer and sent the taxpayer a Notice of Deficiency Determination (NODD).

The taxpayer appealed the Bureau's determination and stated that she was a part-year resident in 1998 and should only be taxed on the income she earned while living in Idaho. The Tax Commission (Commission) sent the taxpayer a hearing rights letter explaining the process of appeal and request for redetermination. The taxpayer did not request a hearing and did not submit additional information for consideration.

Part-year residents of Idaho are taxed on income earned while residing in Idaho and on income received from Idaho sources. See Idaho Code § 63-3026A(2). Since part-year residents are only taxed on income attributable to Idaho, they only receive a partial benefit from their exemptions and itemized/standard deductions. See Idaho Code § 63-3026A(4); see also IDAPA 35.01.01.255, Income Tax Administrative Rules. To compute the amount of exemptions and itemized/standard deductions, Idaho uses the ratio of Idaho income to total income. See Idaho Code § 63-3026A(4); see also IDAPA 35.01.01.255, Income Tax Administrative Rules.

The Commission reviewed the Bureau's calculations and determined that the Bureau correctly calculated the ratio of Idaho income to total income and accurately calculated the taxpayer's exemptions and standard deduction. Therefore, the Commission hereby upholds the NODD.

The NODD included an addition for interest in accordance with Idaho Code § 63-3045.

The Commission hereby upholds the addition and finds it appropriate.

WHEREFORE, the Notice of Deficiency Determination dated August 11, 2000, is hereby APPROVED, AFFIRMED, AND MADE FINAL.

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

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
1998	\$178	\$0	\$25	\$203

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]  
[Redacted]

Receipt No.: [Redacted]

\_\_\_\_\_  
ADMINISTRATIVE ASSISTANT 1