

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 15138
[Redacted],)	
)	DECISION
Petitioners.)	
)	
)	

On July 18, 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 1994 and 1995 in the total amount of \$10,702.

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

The taxpayers, residents of Idaho during both years, appeared to meet the requirements for filing Idaho individual income tax returns. Because they did not file Idaho tax returns and did not answer correspondence, the Bureau issued a deficiency determination.

Idaho Code § 63-3045 (1)(a) states:

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.

The notice was mailed to the taxpayers requesting proof of delivery. When it was returned

by the post office stamped “unclaimed,” a copy of the notice was mailed to the taxpayers via regular delivery. In response, [Redacted] wrote a letter protesting the determination. She said her husband, [Redacted], had passed away since that time. She said, because he was ill during the time in question, he worked very little. She added that, to her knowledge, all taxes were taken out and paid.

When the Bureau’s efforts to recontact Mrs. [Redacted] for clarification of the information she had provided were unsuccessful, the taxpayer’s file was transferred to the Legal/Tax Policy Division for administrative review. [Redacted] did not respond to a letter explaining her appeal rights or to any of the other letters sent to her after her protest. Efforts to contact her by telephone were also fruitless.

[Redacted]. The deficiency notice and tax returns prepared by the Bureau were computed using the figures submitted to the Idaho Department of Labor by [Redacted], which were the same amounts shown in the federal returns. The personal exemptions and deductions shown in the federal returns were duplicated in the deficiency notice and the Idaho income tax returns prepared by the Bureau. No other information has been made available.

A Notice of Deficiency Determination issued by the Idaho State Tax Commission is presumed to be accurate. Parsons v. Idaho State Tax Commission, 110 Idaho 572 (Ct. App. 1986). The burden is on the taxpayer to show that the tax deficiency is erroneous. Albertsons, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

WHEREFORE, the Notice of Deficiency Determination dated July 18, 2000, is 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>
1994	\$2,975	\$744	\$1,387	\$ 5,106
1995	3,520	880	1,397	<u>5,797</u>

TOTAL \$10,903

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]
[REDACTED][REDACTED]

Receipt No. [Redacted]

ADMINISTRATIVE ASSISTANT 1