

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 15247
[Redacted],)	
)	DECISION
Petitioner.)	
_____)	

On October 10, 2000, 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 1993 through 1997 in the total amount of \$17,420.

On December 5, 2000, the taxpayer filed a timely appeal and petition for redetermination. The taxpayer did not request a hearing and has not provided any additional information for consideration. The Tax Commission, having reviewed the file, hereby issues its decision.

[Redacted]. The Bureau reviewed the Tax Commission's records and found the taxpayer had not filed Idaho income tax returns for the taxable years 1993 through 1997. The Bureau sent the taxpayer a letter asking if he had an Idaho filing requirement. The taxpayer did not respond.

[Redacted]. The Bureau prepared returns for the taxpayer and sent the taxpayer a Notice of Deficiency Determination. The taxpayer responded stating he was uncertain of his filing requirements and that he needed time to sort things out. The taxpayer stated he worked outside of Idaho during some of that time. He said he was incarcerated and scheduled for release on February 6, 2001. He stated he would be going into a six-month drug and alcohol rehabilitation center after being released.

The Bureau researched the taxpayer's employment during the years and was able to find or obtain some W-2 statements for the taxpayer. The Bureau modified the returns it prepared for

the taxpayer to include the withholdings but did not send the taxpayer a copy of the modified returns. Rather the Bureau forwarded the case for administrative review.

The Tax Commission sent the taxpayer a letter setting forth his options for redetermining the Notice of Deficiency Determination. The Tax Commission allowed additional time for the taxpayer to respond because of his incarceration; however, nothing was ever received. Therefore, the Tax Commission decided this matter based upon the information presently available.

Idaho Code section 63-3002 states that Idaho taxable income must start with federal taxable income and then be modified according to the provisions of the Idaho Code. [Redacted]. The Tax Commission reviewed [Redacted] and found the wages earned by the taxpayer were Idaho source income. The Tax Commission also reviewed the information gathered by the Bureau and found the taxpayer received wages from Idaho employers and received unemployment compensation from the Idaho Department of Labor.

The returns the Bureau prepared used [Redacted]the information obtained from the Idaho Department of Labor. For the years in which federal taxable income was available, the Bureau used that figure as a starting point. The original returns prepared by the Bureau did not include Idaho withholdings; however, in a later recomputation of the taxpayer's returns, the Bureau included Idaho withholdings.

The taxpayer stated he worked outside of Idaho during some of the years in question. However, the record does not contain any specific information regarding the times the taxpayer may have worked outside of Idaho. Regardless, the record shows the taxpayer was an Idaho resident and therefore he was required to report all his income from whatever source derived (Idaho Code section 63-3002). The fact he may have worked outside of Idaho is of no consequence.

Therefore absent any additional information, the Tax Commission finds the modified returns (with the withholdings) to be an accurate representation of the taxpayer's taxable income for the years in question. The Tax Commission also finds the addition of interest and penalty to the taxpayer's returns appropriate per Idaho Code sections 63-3045 and 63-3046.

WHEREFORE, the Notice of Deficiency Determination dated October 10, 2000, is hereby MODIFIED, in accordance with the provisions of this decision and, as so modified, is 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>
1993	\$1,199	\$300	\$735	\$2,234
1994	1,258	315	676	2,249
1995	1,351	338	608	2,297
1996	1,069	267	393	1,729
1997	56	14	16	<u>86</u>
			TOTAL DUE	<u>\$8,595</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]

ADMINISTRATIVE ASSISTANT 1