

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 15347
[Redacted],)	
)	DECISION
Petitioners.)	
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On November 20, 2000, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination to [Redacted] (taxpayers), proposing additional individual income tax, penalty, and interest in the amount of \$2,572 for the year ending December 31, 1997.

[Redacted] filed a timely appeal and petition for redetermination on behalf of the taxpayers. The taxpayers did not request a conference or submit additional information. 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 of income subject only to modifications contained in Idaho law. [Redacted]. Because Tax Commission records showed that income had not been reported to Idaho either, a Notice of Deficiency was issued.

In response to the deficiency notice, [Redacted] wrote a letter as follows:

We don't believe this is the correct amount of taxes owed because of possible deductions that were not use [sic] or taken and the wrong amount of income was reported to you from the employer according to our check stubs.

No other information was provided and no documents were included with that letter.

The Bureau wrote to the taxpayers acknowledging their protest and advising them of the source of the additional income. The taxpayers were advised to obtain corrected W-2s if they found errors in the amount of income that was reported by their employers.

The taxpayers requested their file to be transferred to the Legal/Tax Policy Division for administrative review. The taxpayers did not respond to a letter from the Legal/Tax Policy Division that outlined their appeal rights. Nothing further has been received from either of the taxpayers.

[Redacted]. According to that information, the taxpayers received income from both self-employment and wages that were not included in the state [Redacted] returns they filed for 1997. The taxpayers have not provided the Tax Commission with a contrary result to the deficiency notice. Therefore, the Tax Commission upholds the deficiency as asserted.

WHEREFORE, the Notice of Deficiency Determination dated November 20, 2000, is hereby APPROVED, AFFIRMED, AND MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the taxpayers pay the following tax, penalty, and interest for 1997:

<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
\$2,034	\$102	\$537	\$2,673

Interest has been computed through September 15, 2001. Interest will continue to accrue at the rate of 8% per annum until paid.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of the taxpayers' right to appeal this decision is enclosed with this decision.

DATED this ____ day of _____, 2001.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE

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]

ADMINISTRATIVE ASSISTANT 1