

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 15387
[Redacted],)	
)	DECISION
Petitioners.)	
_____)	

On December 12, 2000, the Tax Discovery Bureau of the Idaho State Tax Commission (Bureau) issued a Notice of Deficiency Determination to [Redacted] ([Redacted]) (taxpayers), proposing income tax, penalty, and interest for the taxable year 1997, in the amount of \$833.

The taxpayers filed a timely appeal. They did not request a hearing. Therefore, the Tax Commission, having reviewed the file, hereby issues its decision based upon the information contained in the file.

The taxpayers failed to file an Idaho individual income tax return for 1997 even though Tax Commission records show they satisfied the requirements stated in Idaho Code § 63-3030 for filing an Idaho tax return. [Redacted]. [Redacted]. [Redacted].

Idaho Code § 63-3045 (1)(a) states:

63-3045. 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.

Because the taxpayers did not file a state tax return and did not answer correspondence from

the Bureau, the Bureau prepared a provisional return and issued a deficiency notice based upon information gleaned from the Tax Commission's records. The records included both Idaho Department of Labor wage records [Redacted].

In response to the deficiency notice, [Redacted] sent a letter stating her belief that the determination was in error. She said: "I am now looking into this situation & [Redacted] is willing to assist me. They told me I couldn't request my tax refund after three yrs. but if I could I would receive a refund." That letter was received on January 29, 2001. Neither of the taxpayers contacted the Tax Commission again even though the Bureau sent them two additional letters, and the Tax Appeals Specialist sent them a letter advising them of their appeal rights.

Idaho Code § 63-3030 explains the income tax act:

63-3030. Persons required to make returns of income. (a) Returns with respect to taxes measured by income in this chapter shall be made by the following:

(1) Every resident individual required to file a federal return under section 6012(a)(1) of the Internal Revenue Code.

(2) Any nonresident individual having for the current taxable year a gross income from Idaho sources in excess of two thousand five hundred dollars (\$2,500), or any part-year resident individual having for the current taxable year a gross income from all sources while domiciled in or residing in Idaho, and from Idaho sources while not domiciled in and not residing in Idaho, which in total are in excess of two thousand five hundred dollars (\$2,500);

The taxpayers met the requirements for filing a 1997 Idaho income tax return. They have not filed that return. Nothing has been submitted that would cast doubt on the Bureau's determination, which was calculated after considering information shown in the taxpayers' income records retained by the Tax Commission [Redacted].

A Notice of Deficiency Determination issued by the Idaho State Tax Commission is presumed to be accurate. Parsons v. Idaho State Tax Com'n, 110 Idaho 572 (Ct. App. 1986). Having presented no information in support of their argument, the taxpayers have failed to meet their burden

of proving error on the part of the deficiency determination. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

The taxpayers sent a copy of a W-2 showing withholding that was not considered when the tax shown in the deficiency notice was computed. In addition, the Tax Commission discovered the taxpayers were entitled to claim their two children as dependents in 1997. Therefore, the determination is amended to reflect the appropriate exemptions and grocery credits for the taxpayers' two children as well as an additional \$20 of withholding.

WHEREFORE, the Notice of Deficiency Determination dated December 12, 2000 is hereby MODIFIED and, as so modified, is 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>
\$219	\$55	\$58	\$332

Interest is computed through October 1, 2001.

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

An explanation of 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