

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 15396
[Redacted],)	
)	DECISION
Petitioners.)	
_____)	

On December 12, 2000, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination to [Redacted] (taxpayers), proposing income tax, penalty, and interest for taxable years 1996 through 1998 in the total amount of \$21,263.

The taxpayers filed a timely protest; however, they did not request a hearing or submit additional information. The Tax Commission, having reviewed the file, hereby issues its decision based thereon.

Idaho Code § 63-3030 states the income requirements for filing Idaho income tax returns.

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 worked and lived in Idaho during the years in question. In fact, [Redacted] was a practicing attorney during the entire period at issue. The Tax Commission staff contacted the taxpayers numerous times by both telephone calls and personal visits attempting to secure the missing income tax returns. When the promised returns were not received within the time frame

outlined by the taxpayers, the deficiency notice was issued.

Idaho Code § 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.

The taxpayers do not deny they were Idaho residents with filing requirements for the years in dispute. [Redacted] protest was centered on the amount of income and resulting tax due shown in the deficiency notice. However, the taxpayers have furnished neither tax returns for those years nor information to support Mr. [Redacted] contention. In fact, the taxpayers have not responded to any correspondence from the Tax Commission since the protest was received.

Because the taxpayers failed to provide anything to show the Tax Commission's provisional income tax returns covering the taxable years from 1996 through 1998 were incorrect, the Tax Commission finds the provisional returns to be fair representations of the taxpayers' taxable income for the taxable years 1996, 1997, and 1998.

WHEREFORE, the Notice of Deficiency Determination dated December 12, 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:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
1996	\$4,842	\$1,211	\$1,650	\$ 7,703
1997	4,810	1,203	1,220	7,233

1998	4,785	1,196	845	<u>6,826</u>
			TOTAL	<u>\$21,762</u>

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] Receipt No. [Redacted]
[Redacted] [REDACTED]

ADMINISTRATIVE ASSISTANT 1