

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 15534
[Redacted],)	
)	DECISION
Petitioner.)	
_____)	

On February 15, 2001, 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 1996 in the total amount of \$41,977.

On April 16, 2001, the taxpayer filed a timely appeal and petition for redetermination. The taxpayer did not request a hearing but did ask for additional time to gather her information together to prepare returns. The Tax Commission, having reviewed the file, hereby issues its decision.

The Tax Discovery Bureau (Bureau) found that the taxpayer had not filed Idaho individual income tax returns for the taxable years 1993 through 1996. However, for those same years, the taxpayer had a sales tax permit. The Bureau sent letters to various addresses asking the taxpayer about her filing requirement for 1993 through 1996. She failed to respond to any of the letters.

The Bureau determined the taxpayer did have a requirement to file Idaho income tax returns and prepared returns for the taxpayer. The Bureau sent the taxpayer a Notice of Deficiency Determination, which the taxpayer protested. The taxpayer stated her income was not that great in those years and that her deductions were horrendous. The taxpayer stated she would prepare returns for the Bureau to consider.

Several months passed and the taxpayer had not provided any returns to the Bureau. Therefore, the Bureau referred the matter for administrative review.

The Tax Commission sent the taxpayer a letter giving her two options for having the Notice of Deficiency Determination redetermined. The taxpayer failed to respond. The Tax Commission followed up its letter with another letter giving the taxpayer a specific date by which she was to have any additional information to the Tax Commission. Two days before the expiration of the time, the taxpayer came into the Tax Commission's Boise office and requested additional time because she was having difficulty locating all her records. The taxpayer asked for an extension of the deadline until January 31, 2002. The Tax Commission granted her the extension.

On January 31, 2002, the taxpayer called the Tax Commission and requested another extension until February 12, 2002. The Tax Commission also granted this extension. On February 12, the taxpayer called the Tax Commission and stated she had all her information together but needed two weeks to have the returns prepared. The taxpayer also asked the Tax Commission to send her forms and instructions so she could complete the returns.

On March 1, 2002, the taxpayer came into the Tax Commission's Boise office and presented her information to prepare her income tax returns. The Tax Commission took the information the taxpayer presented, reviewed it, and used it to modify the returns the Bureau had prepared. The Tax Commission presented the returns it prepared to the taxpayer. The taxpayer accepted and signed the returns.

The taxpayer's returns resulted in refunds because of the "grocery credit" provided for in Idaho Code section 63-3024A. However, subsection (g) of this section states that an application for refund of the grocery credit must be filed within three years of the due date, including

extensions, of the return required by Idaho Code section 63-3030. The returns the Tax Commission prepared for the taxpayer were submitted to the Tax Commission on April 10, 2002. The taxpayer's 1996 return had a due date of April 15, 1997. Since the returns were submitted well past the three-year statute for refunding the grocery credit, the Tax Commission denied the taxpayer's claim for refund for the 1993, 1994, 1995, and 1996 taxable years.

WHEREFORE, the Notice of Deficiency Determination dated February 15, 2001, is hereby MODIFIED in accordance with the provisions of this decision and, as so modified, is APPROVED, AFFIRMED, and MADE FINAL.

An explanation of the taxpayer's right to appeal this decision is included with this decision.

DATED this ____ day of _____, 2002.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE

I hereby certify that on this ____ day of _____, 2002, 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] [Redacted]

ADMINISTRATIVE ASSISTANT 1