

**BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO**

In the Matter of the Protest of	)	
	)	DOCKET NO. 16243
[Redacted],	)	
	)	DECISION
Petitioner.	)	
_____	)	

On November 9, 2001, the Field Services Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination to [Redacted] (taxpayer), proposing income tax, penalty, and interest for taxable years 1995, 1996, 1997, and 1999 in the total amount of \$16,327.

The taxpayer filed a timely protest. He did not request a conference and did not submit additional information. The Tax Commission, having reviewed the file, hereby issues its decision based upon the information contained in the file.

During the years in question, the taxpayer failed to file Idaho individual income tax returns even though Tax Commission records show he satisfied the filing requirements stated in Idaho Code § 63-3030. [Redacted] The information was provided in accordance with Internal Revenue Code § 6103(d) and Idaho Code § 63-3077.

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 taxpayer did not file state income tax returns and did not respond to letters of inquiry, the Bureau prepared provisional returns and issued a deficiency notice. The income amounts were determined by examining the taxpayer's income records received from the [Redacted] and the records of sales reported to the Tax Commission by the taxpayer's business.

In response to the deficiency notice, the taxpayer sent a letter of protest. He said he did not understand because he had filed 1995 and 1996 and paid the amounts due, and he was not employed in Idaho in 1999. He asked the Bureau to "send me something showing why I owe this" and promised to work toward resolving the matter as soon as possible.

The Bureau acknowledged the taxpayer's protest with a letter explaining the Idaho filing requirement for a person living within Idaho and working outside of Idaho's borders. In addition, the Bureau advised the taxpayer the Tax Commission could find no record of receiving the taxpayer's 1995 or 1996 Idaho income tax returns.

The taxpayer wrote back to say he had received no W-2s from his former employers and asked for additional time to gather the information and obtain help preparing the missing income tax returns. The taxpayer was allowed additional time. However, when the returns did not arrive as promised, the Bureau transferred the taxpayer's file to the Legal/Tax Policy Division of the Tax Commission for administrative review.

In response to a letter from the Tax Appeals Specialist advising the taxpayer of his appeal rights, the taxpayer wrote back to say he needed more time to get his information and have the returns prepared. He indicated an interest in having a conference and said he was having financial difficulties. He asked for an additional two months.

Again, the taxpayer was advised his file would be held to allow him time to prepare the missing returns. However, at the end of the 90-day continuance, a conference had not been scheduled and nothing had been received from the taxpayer.

The taxpayer showed himself as an Idaho resident each year when he applied for his license to hunt and fish in Idaho. He continued to renew his Idaho resident driver's license. In addition, Tax Commission records show he owned and operated his own business as well as received wages as an employee during the years at issue. Based on the records available to the Tax Commission, the taxpayer had an income tax filing requirement as a resident of Idaho with income exceeding \$2,500 each year at issue.

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 his argument, the taxpayer has failed to meet his burden of proving error on the part of the deficiency determination. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

WHEREFORE, the Notice of Deficiency Determination dated November 9, 2001, 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>
1995	\$2,779	\$695	\$1,433	\$ 4,907
1996	3,027	757	1,309	5,093
1997	3,037	759	1,049	4,845
1999	1,407	352	270	<u>2,029</u>
			TOTAL	<u>\$16,874</u>

Interest is computed through October 30, 2002.

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

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

DATED this \_\_\_\_ day of \_\_\_\_\_, 2002.

IDAHO STATE TAX COMMISSION

\_\_\_\_\_  
COMMISSIONER

### CERTIFICATE OF SERVICE

I hereby certify that I have on this \_\_\_\_ day of \_\_\_\_\_, 2002, 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]

[Redacted]

[Redacted]