

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

In the Matter of the Protest of	)	
	)	DOCKET NO. 16407
[REDACTED],	)	
	)	DECISION
Petitioner.	)	
_____	)	

On February 26, 2002, the Tax Discovery Bureau (TDB) of the Idaho State Tax Commission issued a Notice of Deficiency Determination to [Redacted] (taxpayer), proposing income tax, penalty, and interest for taxable year 1996 in the amount of \$949.

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

Because the taxpayer was identified as a resident who appeared to meet the state filing requirements but had not filed a 1996 Idaho individual income tax return, TDB sent the taxpayer a questionnaire to fill out. The taxpayer sent back the completed form indicating he was an Idaho resident but did not have any employers because he was retired during 1996.

TDB requested and received a transcript of the taxpayer's 1996 federal income records from the [Redacted] The information was provided in accordance with Internal Revenue Code § 6103(d) and Idaho Code § 63-3077. The transcript did not include information contained in the taxpayer's federal return because he had not filed a return with [Redacted] either.

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.

TDB sent the taxpayer a notice advising him it had been determined he owed Idaho individual income taxes on the retirement income he had received in 1996. In response to the deficiency notice, the taxpayer sent a letter appealing the determination. He said he did not have a W-2 or the supporting schedules to file his state income tax. He asked for assistance.

TDB sent the requested form and instructions to the taxpayer along with a letter wherein he was asked to complete the return and mail it back within fifteen days. The taxpayer did not respond and his file was transferred to the Legal/Tax Policy Division for administrative review. The taxpayer did not acknowledge receiving a letter from the Tax Appeals Specialist that advised him of his appeal rights. The taxpayer has made no further contact with the Tax Commission.

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 taxpayer met the Idaho resident individual income tax filing requirements for 1996. He has not submitted his return even though he is aware the Tax Commission did not receive the return. Nothing has been submitted that would cast doubt on the Bureau's determination, which was calculated after considering the taxpayer's income information that was reported to [Redacted] and the records retained by the Tax Commission.

The source of the taxpayer's income was retirement funds. No evidence of withholding could be found. The taxpayer was allowed his personal exemption and the standard deduction. Appropriate penalty and interest was included in the determination as allowed in Idaho Code §§ 63-3045 and 63-3046.

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 February 26, 2002, is hereby APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the taxpayer pay the following tax, penalty, and interest for 1996.

TAX	PENALTY	INTEREST	TOTAL
\$575	\$144	\$239	\$958

Interest is computed through August 1, 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]

\_\_\_\_\_  
ADMINISTRATIVE ASSISTANT 1