

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)
) DOCKET NO. 16688
[REDACTED],)
) DECISION
)
Petitioner.)
_____)

On January 14, 2003, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination to [Redacted] (taxpayer), proposing income tax, penalty, and interest for tax years 1995 and 1996 in the amount of \$2,968.

The taxpayer protested the determination by submitting a 1995 completed Idaho income tax return, a portion of a 1996 federal return, and a letter protesting the determination and asking for more time to prepare and file his 1996 Idaho return. No other information pertaining to the years at issue was provided. The Tax Commission, having reviewed the file, hereby issues its decision based thereon.

Information available to the Tax Commission indicated the taxpayer was an Idaho resident who met the filing requirements for tax years 1995 and 1996. Because the Tax Commission's files did not include the taxpayers' Idaho tax returns for those two years, the Bureau prepared Idaho individual income tax returns on the taxpayer's behalf and issued a notice of a deficiency.

In response to the notice, the taxpayer sent his complete 1995 return. He did not send an Idaho return for 1996. The Bureau notified the taxpayer that his 1995 return would be accepted as filed and the portion of the determination addressing 1995 was canceled. Therefore, this decision will address the taxpayer's Idaho income tax responsibility for tax year 1996 only. The 1995 tax year will not be a part of this decision.

Pursuant to the taxpayer's request the Bureau allowed the taxpayer additional time to secure the necessary information to prepare a 1996 Idaho return for filing. Because the taxpayer had only sent part of his federal return, he was asked to send the rest of the return. The Schedule A portion of the federal return was required to confirm the itemized deduction the taxpayer claimed, which was more than three times the standard deduction. The taxpayer's federal return used the same adjusted gross income figure as the Bureau used in preparing the Idaho return on behalf of the taxpayer.

When, after an extended period of time, the taxpayer did not send his 1996 Idaho return or his federal return, his file was transferred to the Legal/Tax Policy Division for administrative review. The taxpayer did not respond to a letter from the Tax Appeals Specialist that outlined his appeal rights.

The taxpayer does not deny he has a filing responsibility for 1996; yet, he has not filed his Idaho return and has sent nothing to support itemizing deductions as opposed to the standard deduction[Redacted] The taxpayer's Idaho income tax responsibility was calculated using the income records retained by the IRS and the Tax Commission. The federal records were made available to the Tax Commission pursuant to Internal Revenue Code § 6103(d) and Idaho Code § 63-3077. The taxpayer did not object to the income amount used in the calculations.

A Notice of Deficiency Determination issued by the Idaho State Tax Commission is presumed to be accurate. Parsons v. Idaho State Tax Comm'n, 110 Idaho 572 (Ct. App. 1986). The burden is on the taxpayer to show that the tax deficiency is erroneous. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

The taxpayer has failed to file a 1996 Idaho income tax return. Absent information to the contrary, the Tax Commission accepts the Bureau's calculation of Idaho income tax, penalty, and

interest due.

WHEREFORE, the Notice of Deficiency Determination dated January 14, 2003, is hereby MODIFIED and, as so modified, is APPROVED, AFFIRMED, and MADE FINAL.

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

<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
\$1,030	\$258	\$487	\$1,775

Interest is calculated through August 1, 2003.

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

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

DATED this ____ day of _____, 2003.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE

I hereby certify that I have on this ____ day of _____, 2003, 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]