

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 16744
[REDACTED])	
Petitioner.)	DECISION
)	
)	
)	

On June 7, 2002, the Income Tax Audit Section (ITA) of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NOD) to [Redacted] (petitioner), proposing income tax, penalty and interest for the year 1999 in the total amount of \$3,733.

A timely protest was filed by the petitioner’s representative (representative) on August 9, 2002. An informal hearing has not been requested. The Commission has reviewed the file, is advised of its contents, and hereby issues its decision affirming the NOD.

This is a nonfiler case. The petitioner is a shareholder in an Idaho partnership and has not filed Idaho nonresident income tax returns. The auditor found that the petitioner had Idaho source income in excess of the filing requirement in tax year 1999 based on his K-1 income from the Idaho partnership, [Redacted].

On May 8, 2002, ITA sent the petitioner a letter notifying him that the Commission’s records indicated that Idaho nonresident income tax returns had not been filed for the tax year 1999. The petitioner faxed a copy of his federal income tax return Form 1040 on May 20, 2002, and left a message with the auditor that there was a loss, not a gain.

The petitioner did not provide any further documentation, so a NOD was issued on June 7, 2002, for nonresident income tax for the tax year 1999.

In the request for a redetermination of the petitioner’s NOD, the representative stated that the petitioner had deductions he believed would mitigate or offset the income and stated an Idaho tax

return would be filed within 45 days.

On February 19, 2002, the Tax Policy Specialist (policy specialist) sent the representative a letter to inform him of the petitioner's alternatives for redetermining a protested NOD. A follow-up letter was sent to the representative on April 1, 2002. The representative did not respond to either letter.

To answer the representative's questions concerning Idaho net operating losses, the policy specialist sent him a letter on July 22, 2003, with information concerning the carryback and carryforward of Idaho net operating losses. In that letter the policy specialist also requested information to allow the Commission to calculate the carryback and carryforward the petitioner's losses.

The representation did not provide the information requested by the policy specialist.

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 petitioner 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).

The petitioner has not provided the Commission with a contrary result to the determination of his income for the tax year 1999 based on his K-1 income from an Idaho partnership[Redacted] Therefore, the Commission must uphold the deficiency.

WHEREFORE, the Notice of Deficiency Determination dated June 7, 2002, is hereby APPROVED, AFFIRMED, and MADE FINAL.

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

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
1999	\$2,612	\$653	\$670	<u>\$3,935</u>

Interest is computed through December 23, 2003.

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

An explanation of the petitioner'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 on this ____ day of _____, 2003, 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]

[Redacted]
