

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 17064
[REDACTED])	
Petitioner.)	DECISION
)	

On October 17, 2002, 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 taxable years 1998 through 2000 in the total amount of \$4,111.

The taxpayer filed a timely appeal. She 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 Tax Commission records showed the taxpayer met the state income tax filing requirements and had not filed Idaho returns for the years in question, the Bureau attempted to contact the taxpayer for an explanation. She did not respond to the inquiry.

[Redacted] 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 had not filed Idaho income tax returns for the years 1996 through 2000, the Bureau prepared returns on her behalf and sent her a Notice of Deficiency Determination. In response to the deficiency notice, the taxpayer sent a letter of appeal. She said:

I protest this determination because there was money deducted [sic] that wasn't listed. There has been money paid in for some time. I also have deductions that need to be listed. I am in the process of getting my federal returns done and will file state taxes at the same time.

Nothing further was heard from the taxpayer and her file was transferred to the Legal/Tax Policy Division for administrative review. She did not respond to a letter from the Tax Appeals Specialist that advised her of her appeal rights.

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);

Tax Commission records show the taxpayer was an Idaho resident during 1998, 1999, and 2000. The Bureau used the income amounts [Redacted] plus the monthly rental income she listed in a loan application to compute her Idaho income tax responsibility. The information shown in the application for a loan was deemed accurate, not only because the signature followed, "I promise that the information provided on this form is true, complete, and correct to the best of my knowledge,"

but because the reported mortgage interest paid by the taxpayer each year exceeded her reported income. She submitted nothing that would cast doubt on the Bureau's determination.

Withholding did not offset the Idaho income tax because no Idaho withholding could be identified in the records retained by the Tax Commission. The penalty and interest additions were calculated in conformity with 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 her argument, the taxpayer has failed to meet her 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 October 17, 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.

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
1998	\$ 587	\$147	\$175	\$ 909
1999	1,173	293	265	1,731
2000	1,093	273	159	<u>1,525</u>
			TOTAL	<u>\$4,165</u>

Interest is computed through May 15, 2003.

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 _____, 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]
