

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 17144
[Redacted],)	
)	DECISION
Petitioners.)	
_____)	

On December 10, 2002, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination to [Redacted] (taxpayers), proposing income tax, penalty, and interest for taxable years 1998 through 2000 in the total amount of \$7,465.

The taxpayers filed a timely appeal. They submitted additional information but did not request a conference. 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 taxpayers met the state income tax filing requirements and had not filed Idaho returns for the years in question, the Bureau attempted to contact the taxpayers for an explanation. The taxpayers 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 taxpayers had not filed Idaho income tax returns for the years 1998 through 2000, the Bureau prepared returns on their behalf and sent them a Notice of Deficiency Determination. The taxpayers responded by letter wherein they admitted they had not filed their Idaho returns for the years at issue. They said they believed the amounts would be much smaller when they filed their own returns. The taxpayers said they were going to retain an attorney.

The Bureau wrote the taxpayers acknowledging their protest. The taxpayers did not respond to that letter or an additional letter. Nothing further was heard from the taxpayers, and their file was transferred to the Legal/Tax Policy Division for administrative review. The Tax Appeals Specialist sent the taxpayers a letter giving them their options regarding their appeal. However, the letter did not prompt a response from the taxpayers.

Tax Commission records show that during the years 1998 through 2000 the taxpayers were Idaho residents with Idaho sourced income in excess of Idaho's filing requirements. These facts the taxpayers do not deny. However, they have not filed Idaho individual income tax returns for any of the years and have given no indication as to when they intend to file those returns.

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 their argument, the taxpayers have failed to meet their 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 December 10, 2002, is hereby APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the taxpayers pay the following tax, penalty,

and interest:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
1998	\$1,547	\$387	\$478	\$2,412
1999	1,237	309	292	1,838
2000	2,369	592	370	<u>3,331</u>
			TOTAL	<u>\$7,581</u>

Interest is computed through August 1, 2003.

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

An explanation of taxpayers' 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]