

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

In the Matter of the Protest of	)	
	)	DOCKET NO. 17244
[Redacted],	)	
	)	DECISION
Petitioners.	)	
<hr style="width: 45%; margin-left: 0;"/>		
	)	

On February 19, 2003, the Income Tax Audit 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 and 1999 in the amount of \$2,530.

The taxpayers filed a timely appeal. They 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 taxpayers met the state income tax filing requirements and had not filed Idaho returns for 1998 and 1999, the Bureau attempted to contact the taxpayers for an explanation. The Bureau was unsuccessful reaching [Redacted] (Mr.), but was able to talk with [Redacted] (Mrs.). Mrs. explained that the taxpayers separated in 2000 and divorced in 2001. She said Mr. is presently incarcerated at the correctional facility in [Redacted]. She submitted a 2000 Idaho income tax return using the filing status of Married Filing Separate. Mrs. furnished no information or returns for the years at issue.

[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.

Determining the taxpayers met the filing requirements for both years, the Bureau prepared returns on their behalf and sent them a Notice of Deficiency Determination. The notice was mailed to Mr. in care of the correctional facility. In response to the deficiency notice, Mr. wrote that he feels an error in the tax was made because H & R Block had prepared a return for him the last year he worked. He explained that his incarceration resulted in the loss of all of his possessions including his financial records. He said he is planning to enter a rehabilitation program and move out of state upon release from confinement.

The taxpayer's file was transferred to the Legal/Tax Policy Division for administrative review. Neither of the taxpayers responded to a letter from the Tax Appeals Specialist advising them of their appeal rights.

The taxpayers do not deny they had a requirement to file a 1998 and a 1999 Idaho individual income tax return. They have not filed those returns and have submitted nothing that would cast doubt on the Bureau's determination that was based on wages the taxpayers received during 1998 and 1999. The records retained by the [Redacted] Idaho Department of Labor identified the sources and amounts of income.

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 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 February 19, 2003, 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	\$ 587	\$147	\$180	\$ 914
1999	1,102	276	258	<u>1,636</u>
			TOTAL	<u>\$2,550</u>

Interest is computed through July 15, 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] [Redacted]  
[Redacted] \_\_\_\_\_

DECISION -4  
[Redacted]