

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

In the Matter of the Protest of	)	
	)	DOCKET NO. 17600
[Redacted],	)	
	)	DECISION
Petitioners.	)	
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On May 19, 2003, the Tax Discovery Bureau (TDB) of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NOD) to [Redacted] (petitioners), proposing income tax, penalty and interest for the years 1999, 2000, and 2001 in the total amount of \$16,290.

On July 21, 2003, a timely protest and petition for redetermination was filed by the petitioners. 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.

The petitioners have not filed Idaho income tax returns for the years 1999, 2000, and 2001. On February 4, 2002, the Tax Discovery Bureau sent a letter with a questionnaire to the petitioners to help the Commission properly determine the petitioners' filing requirement. The petitioners did not respond to this letter, so [Redacted]. The Commission then issued a NOD to the petitioners [Redacted].

On July 21, 2003, [Redacted] (petitioner) sent a letter in which he protested the NOD and asked for 14 days to submit "the correct amount due for the years required."

On August 12, 2003, TDB sent the petitioners a letter notifying them that their protest was timely filed.

On September 22, 2003, TDB requested that the petitioners provide copies of their 1999, 2000, and 2001 Idaho individual income tax returns by October 8, 2003. TDB received a copy of

this letter back with a note from the petitioner asking for more time to complete the returns. Petitioner said he would call the following morning to make final arrangements.

TDB sent the petitioners a letter on October 23, 2003, allowing them until November 23, 2003, to provide the income tax returns in question.

A letter was sent on December 2, 2003, requesting that the petitioners' returns be provided by December 19, 2003, or their file would be transferred to the Commission's Legal/Tax Policy Division for further review.

On January 16, 2004, the Tax Policy Specialist (policy specialist) sent the petitioners a letter to inform them of their alternatives for redetermining a protested NOD. A follow-up letter was sent on February 23, 2003. The petitioners did not respond to either letter.

It is well settled in Idaho that a NOD issued by the Idaho State Tax Commission is presumed to be correct. Albertson's Inc. v. State, Dept. of Revenue, 106 Idaho 810, 814 (1984); Parsons v. Idaho State Tax Commission, 110 Idaho 572, 574-575 n.2 (Ct. App. 1986). The burden is on the petitioners to show that the tax deficiency is erroneous. Id. Since the petitioners have failed to meet the burden in this case, the Tax Commission finds that the amount shown due on the Notice of Deficiency Determination is true and correct.

[Redacted] The petitioners have not provided the Commission with a contrary result to the determination of their income [Redacted] Therefore, the Commission must uphold the deficiency.

WHEREFORE, the Notice of Deficiency Determination dated May 19, 2003, is hereby APPROVED, AFFIRMED, and MADE FINAL.

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

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
1999	\$5,395	\$1,349	\$1,563	\$8,307
2000	2,207	552	461	3,220
2001	3,889	972	515	<u>5,376</u>
			TOTAL DUE	<u>\$16,903</u>

Interest is computed through July 15, 2004.

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

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

DATED this \_\_\_ day of \_\_\_\_\_, 2004.

IDAHO STATE TAX COMMISSION

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COMMISSIONER

**CERTIFICATE OF SERVICE**

I hereby certify that on this \_\_\_ day of \_\_\_\_\_, 2004, 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]

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