

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)
) DOCKET NO. 17885
[REDACTED],)
)
) DECISION
)
Petitioner.)
_____)

On November 20, 2003, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination (NODD) to [Redacted] (taxpayer), proposing income tax, penalty, and interest for taxable year 1999 in the amount of \$2,335.

The taxpayer filed a timely protest. He did not request a hearing and did not submit additional information. The Tax Commission, having reviewed the file, hereby issues its decision based upon the information contained in the file.

Tax Commission records showed the taxpayer filed Idaho income tax returns for the years before and after 1999 but did not file a 1999 return. The Bureau sent the taxpayer a letter advising him his 1999 return had not been received and asking him for clarification. Included with that letter was a questionnaire for the taxpayer to complete.

The taxpayer responded to the Bureau's request for information by completing and returning the questionnaire along with a copy of a statement from the Social Security Administration showing his 1999 social security earnings and a copy of a paycheck and pay stub dated December 23, 1999 that showed his year-to-date income and Idaho withholding. He said he had filed his return for all years from 1989 through 2003.

The Bureau wrote back to the taxpayer to advise him that Tax Commission records did not show a return had been filed for 1999. The Bureau told him information available to the Tax Commission

showed he received income during 1999 from [Redacted] in a total amount that was in excess of the Idaho filing requirement. The taxpayer was asked to prepare and submit an Idaho return for that year.

[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 did not file his 1999 Idaho income tax return, the Bureau prepared a return on his behalf and sent him a NODD.

The taxpayer appealed the determination. He said his 1999 taxes were paid because they were subtracted from any income he made. He attached a copy of a letter from [Redacted] that showed it distributed \$29,944.25 to the taxpayer in 1999. Federal taxes had been withheld from the gross amount; however, no state income tax had been withheld. The second attachment was a copy of the same check and pay stub that he had sent after the Bureau's first inquiry. The Bureau sent the taxpayer a letter acknowledging his protest and transferred his file to the Legal/Tax Policy Division of the Tax Commission for administrative review.

The Tax Appeals Specialist sent the taxpayer a letter advising him of his appeal rights. The letter, dated March 10, 2004, also put the taxpayer on notice that the Tax Commission would issue a decision based on the contents of his file if a response was not received with 30 days. The taxpayer did not respond in any way.

The taxpayer met the requirements for filing an Idaho income tax return for 1999. The Tax Commission has no record of the return being filed. The Idaho Department of Labor records supported the income information [Redacted], and the statement from [Redacted] provided by the taxpayer supported the distribution to the taxpayer with no state taxes withheld.

The Bureau computed the taxpayer's Idaho income tax responsibility based on \$40,052 of Idaho adjusted gross income. He was allowed the filing status of head of household ([Redacted]), the standard deduction, and two personal exemptions ([Redacted]). The Idaho tax amount was reduced by \$291 of state withholding.

Nothing has been submitted that would cast doubt on the Bureau's determination. 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 his argument, the taxpayer 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).

WHEREFORE, the Notice of Deficiency Determination dated November 20, 2003, is hereby APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the taxpayer pay the following tax, penalty, and interest for 1999:

<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
\$1,544	\$386	\$424	\$2,354

Interest is computed through April 15, 2004.

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 _____, 2004.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE BY MAIL

I hereby certify that I have on this ____ day of _____, 2004, 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]
