

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 17955
[REDACTED],)	
)	DECISION
Petitioners.)	
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On January 15, 2004, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination (NODD) to [Redacted] (taxpayers), proposing income tax, penalty, and interest for taxable years 1999 through 2001 in the total amount of \$4,814.

The taxpayers filed a timely appeal. They did not submit additional information and did not request a conference. The Tax Commission, having reviewed the file, hereby issues its decision based upon the information contained in the file.

Tax Commission records showed the taxpayers had not filed Idaho individual income tax returns for the years 1999 through 2001. The Bureau attempted to contact the taxpayers for an explanation, but they did not respond to the inquiries.

[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.

The Bureau prepared returns on behalf of the taxpayers and sent them a NODD, which [Redacted] protested. He protested by returning the NODD to the Enforcement Specialist with a handwritten note across it saying:

You guys are crazy. I paid in full all those years – I can probably find my receipts.

Also, How is it you took 4 years to discover this. Obviously you are wrong! [Redacted]

The Bureau wrote the taxpayers a letter advising them additional information was needed and asking them to provide that information or copies of their Idaho returns.

Nothing further was heard from either of 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 explaining their options regarding their appeal. However, the letter did not prompt a response from the taxpayers.

Tax Commission records show that during the years 1999, 2000, and 2001 the taxpayers were Idaho residents with Idaho sourced income in excess of Idaho's filing requirement. The taxpayers have not filed Idaho individual income tax returns for any of the years at issue and have not indicated when the Tax Commission might expect to receive those returns.

The Bureau used the taxpayers' income amounts shown in [Redacted] information available to the Tax Commission to calculate the Idaho tax. The taxpayers were allowed the standard deduction and credit for two personal exemptions. Withholding identified in Tax Commission records was allowed to offset a portion of the tax. The Bureau added interest and penalty pursuant to Idaho Code §§ 63-3045 and 63-3046. The Tax Commission reviewed those additions and found them proper and in accordance with Idaho Code.

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 January 15, 2004, 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>
1999	\$1,819	\$455	\$513	\$2,787
2000	510	128	102	740
2001	958	240	117	<u>1,315</u>
			TOTAL	\$4,842

Interest is computed through May 15, 2004.

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 _____, 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]

Receipt No.
