

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

In the Matter of the Protest of	)	
	)	DOCKET NO. 18296
[REDACTED],	)	
	)	DECISION
Petitioner.	)	
_____	)	

On July 8, 2004, 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 years 1998 through 2002 in the total amount of \$9,569.

The taxpayer filed a timely appeal and submitted additional information. He did not request a conference. The Tax Commission hereby issues its decision based upon the information contained in the file.

Tax Commission records suggested the taxpayer met Idaho's income tax filing requirements for the years 1998 through 2002. The Bureau attempted to contact the taxpayer for an explanation of why no Idaho returns were filed, but he 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 taxpayer and sent him a NODD. The taxpayer

responded to the determination by submitting returns for the years 2000 through 2002 and a letter of protest. He said he would have the 1998 and 1999 Idaho returns prepared and submitted within 40 days.

The Bureau obtained W-2s from the taxpayer's previous employers to assist the taxpayer in the preparation of his returns. The W-2s and a letter accepting the 2000 through 2002 returns and canceling the portion of the NODD that addressed those years was sent to the taxpayer. The NODD was adjusted and a new report was issued reflecting the withholding shown in the W-2s.

When the taxpayer did not respond or file his missing returns within the 40 day timeframe he set, his file was transferred to the Legal/Tax Policy Division for administrative review. The Tax Appeals Specialist sent the taxpayer a letter explaining his options regarding his appeal. However, the letter did not prompt a response.

The taxpayer does not dispute he was a resident of Idaho who met Idaho filing requirements for 1998 and 1999. Yet, he has not filed his Idaho returns. The Bureau used income [Redacted] to calculate the taxpayer's Idaho income tax responsibility. He was allowed the standard deduction and one personal exemption. Withholding identified in the taxpayer's W-2s was allowed to reduce the tax amount.

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 of his argument, the taxpayer has failed to meet his burden of proving error on the part of the modified deficiency determination. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

WHEREFORE, the Notice of Deficiency Determination dated July 8, 2004, is hereby MODIFIED and, as so modified, is APPROVED, AFFIRMED, and MADE FINAL.

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

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
1998	\$ 906	\$ 227	\$ 387	\$ 1,520
1999	785	196	278	<u>1,259</u>
		TOTAL		\$ 2,779

Interest is computed through August 15, 2005.

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 \_\_\_\_\_, 2005.

IDAHO STATE TAX COMMISSION

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COMMISSIONER

**CERTIFICATE OF SERVICE BY MAIL**

I hereby certify that I have on this \_\_\_\_\_ day of \_\_\_\_\_, 2005, 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]

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