

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 18465
[REDACTED],)	
)	DECISION
Petitioner.)	
_____)	

On September 28, 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 2000 and 2001 in the total amount of \$1,989.

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

On February 18, 2004, the Tax Commission received several years of the taxpayer's unsigned Idaho and federal individual income tax returns from an anonymous source. The Bureau determined the taxpayer was a self-employed Idaho resident who, although he met the state income tax filing requirements, had not filed Idaho resident income tax returns as required by law.

[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 some of the information shown in the returns provided by the anonymous source did not match the records retained by the Tax Commission, the Bureau prepared Idaho returns on behalf of the taxpayer for the years 2000 and 2001 and sent him a NODD. The taxpayer responded with a letter of protest stating he did not agree with the amounts. He requested additional time to research and file correct income tax returns.

When the promised returns did not arrive, the Bureau transferred the taxpayer's file to the Legal/Tax Policy Division for administrative review. The Tax Appeals Specialist sent a letter advising the taxpayer of his appeal rights; however, the letter did not prompt the taxpayer to respond. Tax Commission records show that during the years 2000 and 2001 the taxpayer was an Idaho resident with Idaho sourced income in excess of Idaho's filing requirement. These facts the taxpayer does not dispute. However, he has not filed an Idaho income tax return for either year.

The Bureau used income information shown in [Redacted], the records retained by the Tax Commission, and the copies of returns delivered to the Tax Commission from an anonymous source. The standard deduction and credit for one personal exemption were allowed.

Although withholding was claimed in the unsigned Idaho income tax returns, it could not be verified in Tax Commission records and was not shown in the W-2s that were attached to the returns. It was not allowed to reduce the tax amounts. 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 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 September 28, 2004, is hereby 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>
2000	\$1,249	\$312	\$343	\$1,904
2001	98	25	19	<u>142</u>
			TOTAL	<u>\$2,046</u>

Interest is computed through August 16, 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

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]
