

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 18549
[REDACTED],)	
)	DECISION
Petitioner.)	
_____)	

On November 16, 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 year 2001 in the amount of \$477.

The taxpayer filed a timely appeal. He did not request a conference or submit information. Therefore, the Tax Commission, having reviewed the file, hereby issues its decision based upon the contents of the file.

Tax Commission records showed the taxpayer was an Idaho resident who appeared to meet the state income tax filing requirements. The Bureau attempted to contact the taxpayer for an explanation of why he did not file an Idaho income tax return for 2001, but he did not respond to the inquiries.

The Bureau requested and received a transcript of the taxpayer's federal income records from the Internal Revenue Service (IRS). The information was provided in accordance with Internal Revenue Code § 6103(d) and Idaho Code § 63-3077.

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 2001 Idaho income tax returns on the taxpayer's behalf and sent him a NODD. The taxpayer sent a letter objecting to the deficiency determination saying he was not allowed credit for his 2000 refund. He said the credit would cover all tax and penalties. He asked for 60 additional days to complete a return.

The Bureau sent the taxpayer a letter to acknowledge his protest and allow him a continuation. After a telephone conversation, two additional letters with no response, and considerable delay, the file was transferred to the Legal/Tax Policy Division for administrative review. The Tax Appeals Specialist sent the taxpayer a letter explaining his appeal rights. He did not respond.

Tax Commission records show that during 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, Tax Commission records show the taxpayer's 2001 Idaho return has not been filed.

The Bureau prepared the Idaho return on behalf of the taxpayer using the filing status of married filing separate with a community property split of the income. W-2 and 1099 information shown in federal records was used to calculate the taxpayer's Idaho tax amount. The standard deduction, credit for one personal exemption, and a grocery credit were allowed.

The tax was reduced by withholding in the amount of \$177 (one-half of the married couple's total withholding) and a credit of \$294 representing one-half of the refund credit carried forward

from the taxpayer's 2000 Idaho income tax return that had been filed with a filing status of married filing joint. 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 deficiency determination. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

WHEREFORE, the Notice of Deficiency Determination dated November 16, 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 for 2001:

<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
\$337	\$84	\$85	\$506

Interest is computed through February 1, 2006.

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

An explanation of the taxpayer's right to appeal this decision is enclosed.

DATED this ____ day of _____, 2006.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE

I hereby certify that on this ____ day of _____, 2006, 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]

Receipt No.