

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 18647
[REDACTED],)	
)	DECISION
Petitioner.)	
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On January 6, 2005, the Tax Discovery Bureau (TDB) of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NOD) to [Redacted] (petitioner), proposing income tax, penalty, and interest for the years 1998, 1999, 2000, and 2002 in the total amount of \$8,797.

On March 10, 2005, a timely protest and petition for redetermination was filed by the petitioner. An informal hearing has not been requested by the petitioner. The Commission has reviewed the file, is advised of its contents, and hereby issues its decision modifying the NOD.

The petitioner failed to file her 1998, 1999, 2000, and 2002 individual income tax returns. On July 9, 2004, the Tax Discovery Bureau sent a letter with a questionnaire to the petitioner to help the Commission properly determine the petitioner's filing requirement. The petitioner did not respond to this letter, so I [Redacted]. The Commission issued a NOD on January 6, 2005, to the petitioner [Redacted].

In the petitioner's protest letter received March 10, 2005, she stated:

This letter is to request that taxes owed for tax years 1998, 1999, 2000 and 2002 be revaluated. I discovered from the IRS that my son's social security number was incorrect and therefore did not receive the tax credits which adversely affected my returns. It appears that my dependent exemption is also not being credited on the state return information that was just mailed to me.

Per my records, I have copies of 98 and 99, though I am not able to find 00 and 02. In any event, the balances owing need to at least be redetermined. I also just paid a state tax lien of \$1,952 which I am now unsure of what that specific amount was to have paid. I have

been out of town in training and unable to make lengthy calls to amend my tax returns with the IRS. I will finally be home the week of the 14th and will be able to handle these issues.

I appreciate the commissions cooperation and working with me on amending my returns.

Adjustments were made to the petitioner's NOD based on the petitioner's federal returns to allow an exemption for the petitioner's child for tax years 2002 and 2000 and to allow head of household filing status for 2000.

In a letter dated July 14, 2005, the tax enforcement specialist stated:

As we discussed on the phone today, I am enclosing copies of your 2002 and 2000 Idaho Income tax returns. These returns were prepared based on your federal returns filed. Since we have electronic copies of the data, you do not need to furnish W-2's. Please sign where indicated and return in the enclosed envelope.

Also, per our conversation, I am enclosing copies of the electronic federal data we have which can be used to prepare your 1998 and 1999 returns. Should you have questions once you receive this information, please call me at the number below

Please return all income tax returns for the years 1998-2000 and 2002 by July 28. Thank you for your cooperation.

The petitioner did sign and return her 2000 Idaho income tax return. The NOD was canceled for tax year 2000 only. The return will be subject to the normal review process and the three-year statute of limitations, beginning the date the petitioner submitted the return. The 2000 tax year will not be addressed any further in this decision.

On July 27, 2006, the Tax Policy Specialist (policy specialist) sent the petitioner a letter to inform her of the alternatives for redetermining a protested NOD. The letter was returned and marked "MOVED LEFT NO ADDRESS UNABLE TO FORWARD RETURN TO SENDER." A more current address was found from the petitioner's 2005 W-2, and the letter was resent to the new address. The petitioner did not respond to this letter either.

The policy specialist made an adjustment to the petitioner's NOD for tax year 1998 because the petitioner's Idaho adjusted gross income was overstated by \$10,000.

The petitioner did file her 2000 income tax return but has not provided the Commission with a contrary result to the determination of her income for tax years 1998, 1999, and 2002. Therefore, the Commission must uphold the deficiency as modified.

WHEREFORE, the Notice of Deficiency Determination dated January 6, 2005, as MODIFIED, is hereby APPROVED, AFFIRMED, and MADE FINAL.

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

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
1998	\$1,813	\$453	\$920	\$3,186
1999	1,790	448	776	3,014
2002	356	89	75	<u>520</u>
			TOTAL DUE	<u>\$6,720</u>

Interest is computed through December 14, 2006.

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

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

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.
