

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 18692
[Redacted],)	
)	DECISION
Petitioner.)	
_____)	

On January 12, 2005, the staff of the Income Tax Audit Bureau of the Idaho State Tax Commission issued a Notice of Deficiency Determination to [Redacted] (taxpayer), asserting additional income tax and interest for the taxable years 2001 and 2002 in the total amount of \$1,699.

On March 16, 2005, the taxpayer filed a timely appeal and petition for redetermination. The taxpayer did not respond to the Tax Commission's hearing rights letter or the follow-up to that letter. He has also failed to provide any additional information for the Tax Commission to consider. The Tax Commission, having reviewed the file, hereby issues its decision.

The taxpayer timely filed Idaho individual income tax returns for both 2001 and 2002. He filed a part-year, nonresident return for 2001 claiming to be a resident of Idaho. His 2002 return was filed as a resident on the resident short form (40EZ). However, the income the taxpayer reported on his Idaho returns did not match the income reported on his federal income tax returns.

[Redacted] The Bureau also adjusted the taxpayer's standard deduction and personal exemption for 2001, the grocery credit, and the permanent building fund tax for both years.

The Bureau sent the taxpayer a Notice of Deficiency Determination which the taxpayer protested. The taxpayer stated he worked in [Redacted] for part of the year. He apparently thought he only needed to report to Idaho the income he earned in [Redacted]. The taxpayer provided copies of his 2002 W-2 statements to show the income he earned in [Redacted].

The Bureau referred the matter for administrative review and the Tax Commission sent the taxpayer a letter giving him two options for having the Notice of Deficiency Determination redetermined. The taxpayer did not respond to the Tax Commission's initial letter or the follow-up letter. Therefore, the Tax Commission decided the matter based upon the information available.

It is apparent from the information the Bureau gathered that the taxpayer had been a resident of Idaho since at least 1986 and quite possibly earlier. Therefore, as previously stated, the taxpayer was required to report his income from all sources to Idaho. (Idaho Code section 63-3002.) Furthermore, the proper form for filing Idaho income tax returns for the taxpayer is one of the resident income tax forms (Form 40 or Form 40EZ).

The taxpayer stated he worked in [Redacted] for a portion of the time. He also stated that he was working with a tax preparer to get this matter resolved. He said he would provide additional information when it became available.

The taxpayer was given ample time to provide whatever additional information he felt was necessary, be it copies of his [Redacted] returns for the credit for taxes paid to another state or information showing the income was not taxable by Idaho. However, he has failed to provide anything.

The taxpayer bears the burden of showing that the Bureau's determination is incorrect, Parsons v. Idaho State Tax Commission, 110 Idaho 572, 574-575 n.2, 716 P.2d 1344, 1346-1347 n.2 (Ct. App. 1986), or that he is entitled to a credit for taxes paid to another state New Colonial Ice Co., Inc. v. Helvering, 292 U.S. 435, 54 S.Ct. 788 (1934). He has failed to carry his burden. Therefore, the Commission hereby affirms the determination of the Bureau.

WHEREFORE, the Notice of Deficiency Determination dated January 12, 2005, is hereby APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the taxpayer pay the following tax and interest:

<u>YEAR</u>	<u>TAX</u>	<u>INTEREST</u>	<u>TOTAL</u>
2001	\$ 285	\$ 73	\$ 358
2002	1,230	234	<u>1,464</u>
		TOTAL DUE	<u>\$ 1,822</u>

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 included 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.
