

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 18796
[REDACTED])	
)	DECISION
Taxpayers.)	
)	
)	

On March 21, 2005, the Tax Discovery Bureau (TDB) of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NOD) to [Redacted](taxpayers) proposing additional income tax, penalty, and interest for tax years 2000 and 2001 in the total amount of \$4,761.

On May 9, 2005, a timely protest and petition for redetermination was filed by the taxpayers. The taxpayers have not requested a hearing. The Commission has reviewed the file, is advised of its contents, and hereby issues its decision modifying the NOD.

[Redacted] TDB, therefore, [Redacted] issued a NOD that adjusted the taxpayers' Idaho returns.[Redacted] The TDB sent the taxpayers several letters requesting documentation [Redacted]. The taxpayers did not respond to any of the letters sent by the TDB.

On September 9, 2005, the Tax Policy Specialist (policy specialist) sent the taxpayers a letter to inform them of the alternatives for redetermining a protested NOD. A follow-up letter was sent to the taxpayers on October 27, 2005. The taxpayers did not respond to either letter.

Idaho Code § 63-3002 states it is the intent of the Idaho legislature to make the Idaho Income Tax Code identical to the Internal Revenue Code in the way taxable income is determined. Idaho Code § 63-3069 states that, upon a final determination of any deficiency or refund of federal taxes, written notice shall be immediately sent to the State Tax Commission by

the taxpayer. IDAPA 35.01.01.890.03 Income Tax Administrative Rules states immediate notification is within 60 days of the final determination.

From the cited Idaho Code sections and the Administrative Rule, it is apparent the Idaho legislature intended any changes made to a taxpayer's federal return should be reflected on the taxpayer's Idaho return. [Redacted]

In this case, [Redacted], the Commission must uphold the deficiency as modified.

WHEREFORE, the Notice of Deficiency Determination dated March 21, 2005, as MODIFIED, is hereby APPROVED, AFFIRMED, and MADE FINAL.

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

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2000	\$1,972	\$99	\$648	\$2,719
2001	895	45	227	<u>1,167</u>
			TOTAL DUE	<u>\$3,886</u>

Interest is calculated through July 14, 2006.

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

An explanation of the taxpayers' 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 I have on this ____ day of _____, 2006, 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]

Receipt No.
