

**BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO**

In the Matter of the Protest of	)	
	)	DOCKET NO. 18930
[REDACTED],	)	
	)	DECISION
Petitioner.	)	
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	)	

On May 6, 2005, 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 1998 through 2003 in the total amount of \$8,663.

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.

Tax Commission records showed the taxpayer was an Idaho resident who appeared to meet Idaho income tax filing requirements. The Bureau attempted to contact the taxpayer for an explanation of why his 1998 through 2003 Idaho returns had not been filed, but he did not respond to the inquiries.

[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.

The Bureau prepared the missing Idaho returns on behalf of the taxpayer and sent him a NODD.

The taxpayer filed a protest dated July 6, 2005, wherein he said it was a busy time for him and he was trying to “get this done as quickly as possible.” He asked for more time to prepare the returns and sent a \$500 check with the letter. After considerable delay without receipt of the returns or further contact from the taxpayer, the Bureau transferred the taxpayer’s file to the Legal/Tax Policy Division for administrative review.

Tax Commission records show that, during the taxable years 1998 through 2003, the taxpayer was an Idaho resident who operated an Idaho business during all or part of the years at issue. He obtained both an Idaho employer’s sales/use tax permit and a withholding permit. These facts the taxpayer does not dispute. Yet, he has not filed income tax returns since 1997.

On December 22, 2005, the Tax Commission received a letter from the taxpayer stating he was still working on getting the necessary information to prepare the returns. He again said it was his busy time of year but said his sister was now assisting him. He hoped to have the returns submitted within 30 days. He enclosed a check in the amount of \$1,000.

The Bureau used income information [Redacted] and an estimate of the taxpayer’s self-employment income to calculate the taxpayer’s Idaho tax amount. The standard deduction and credit for one personal exemption were allowed. The tax was reduced by the grocery credit. Interest and penalty was added 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 May 6, 2005, 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>
1998	\$932	\$233	\$428	\$1,593
1999	952	238	368	1,558
2000	1,427	357	438	2,222
2001	920	230	211	1,361
2002	640	160	106	906
2003	910	228	102	1,240
			PAYMENTS	<u>(1,500)</u>
			TOTAL	<u>\$7,380</u>

Interest is computed through March 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 included with this decision.

DATED this \_\_\_\_ day of \_\_\_\_\_, 2006.

IDAHO STATE TAX COMMISSION

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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.

[REDACTED]

[REDACTED]

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