

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 18960
[REDACTED],)	
)	DECISION
Petitioner.)	
_____)	

On June 14, 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 and 2000 through 2002 in the total amount of \$12,609.

The taxpayer filed a timely protest. He did not request a hearing or submit additional information. 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 (who appeared to have received Idaho sourced income) had not filed Idaho individual income tax returns for the years 1998 through 2002. The bureau sent the taxpayer correspondence asking him for an explanation of why he had not filed Idaho returns. The taxpayer did not respond.

[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.

When the Bureau did not receive a response from the taxpayer, it prepared Idaho returns on behalf of the taxpayer for the tax years in question. The NODD amounts were based on Tax Commission records.

The [Redacted] records showed the taxpayer's income level and Idaho income tax responsibility were not worth pursuing a tax return for the tax year 1999. Therefore, an Idaho return for that year was neither prepared nor included in the NODD. Tax year 1999 is not part of this decision.

The Bureau received a letter of protest from the taxpayer requesting a hold be placed on his file to allow him time to complete his returns. He said his work is seasonal, and he would have time after the busy season. That letter was followed by three additional letters asking for more time. His last letter, dated December 19, 2005, indicated he had almost completed his returns for tax years 2002 through 2004 but would require more time to complete the returns for the other years. He said his work would slow down in February allowing him the time to work on the returns.

The completed returns did not arrive, and the Bureau transferred the taxpayer's file to the Legal/Tax Policy Division of the Tax Commission for administrative review. The taxpayer did not answer a letter from the Tax Appeals Specialist offering him the opportunity to appear for an informal conference or to submit additional information.

The taxpayer met the requirements for filing Idaho individual income tax returns for the years 1998, 2000, 2001, and 2002. However, he did not file those returns. Using Tax Commission records [Redacted], the Bureau prepared Idaho non-resident income tax returns on behalf of the

taxpayer using the filing status of single with one exemption. No withholding was identified for any of the years at issue. However, tentative payments offset a portion of the tax due for some years.

The Tax Commission has received nothing to indicate the NODD prepared by the Bureau is in error. The penalty and interest additions were calculated in conformity with Idaho Code §§ 63-3045 and 63-3046.

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). 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 June 14, 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	\$ 599	\$ 150	\$ 289	\$ 1,038
2000	308	77	101	486
2001	2,243	561	565	3,369
2002	5,693	1,423	1,069	<u>8,185</u>
			TOTAL DUE	<u>\$13,078</u>

Interest is computed through July 15, 2006.

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

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

DATED this ____ day of _____, 2006.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE BY MAIL

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]
[Redacted]

[Redacted]
