

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 18961
[REDACTED],)	
)	DECISION
Petitioner.)	
_____)	

On June 13, 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 2002 and 2003 in the total amount of \$3,478.

The taxpayer filed a timely protest. She did not request a conference but did submit a 2002 Idaho return. 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, an Idaho resident, had not filed Idaho individual income tax returns for the years 1997 through 2003. [Redacted]

Based on the [REDACTED] records showing the taxpayer's income level, the Bureau decided it was not worth pursuing tax returns for the tax years 1997 through 2001. Therefore, tax years 1997 through 2001 will not be discussed further in this decision.

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 taxpayer did not respond to correspondence asking for clarification of her 2002 and 2003 reporting responsibility, the Bureau prepared a Notice of Deficiency Determination (NODD) to advise the taxpayer of the determination of tax due. The determination was based on Tax Commission records [Redacted].

The petitioner responded to the NODD with a letter of protest asking for additional time to prepare the returns. She explained that a chronic illness does not allow her to work outside her home and has delayed the sorting of records and the preparation of the returns. She was also delayed by water damage to her home that included damage to some of her paperwork. Her income, agriculture subsidies from the United States Department of Agriculture, is received once a year.

The Bureau allowed the taxpayer additional time, and she submitted her 2002 Idaho individual income tax return for filing. The Bureau sent the taxpayer a letter cancelling the portion of the NODD addressing tax year 2002. She was allowed additional time to prepare her 2003 return.

At the end of the stay, 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 her the opportunity to appear for an informal conference or submit additional information.

The taxpayer met the filing requirements for 2003 but did not file a return. The Tax Commission records and [Redacted] income information showed the taxpayer received \$29,776 from the United States Department of Agriculture during that year. The Bureau prepared a return on

behalf of the taxpayer to report and pay taxes on that income. It used the filing status of single with one exemption. No withholding or tentative payments were identified.

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 her 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 13, 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>
2003	\$1,429	\$357	\$197	\$1,983

Interest is computed through July 31, 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]

Receipt No.

[Redacted]
