

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

In the Matter of the Protest of	)	
	)	DOCKET NO. 19211
[REDACTED],	)	
	)	DECISION
Petitioner.	)	
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On June 7, 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 1997, 1998, and 2001 through 2003 in the total amount of \$7,066.

The taxpayer filed a timely appeal. He did not request a hearing and did not submit additional information. The Tax Commission has reviewed the file and hereby issues its decision based upon the information contained in the file.

Because Tax Commission records showed the taxpayer met the state income tax filing requirements and had not filed Idaho returns for the years at issue, the Bureau attempted to contact the taxpayer for clarification. 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.

Determining the taxpayer had a requirement to file resident individual income tax returns, the Bureau prepared returns on his behalf and sent him a NODD. In response to the notice, the taxpayer sent a letter of protest that he and his wife signed stating the NODD was inaccurate because it “fails to account for deductions that I incurred during some of the years in question.” They submitted a copy of the 1997 return and promised to deliver the balance of the missing returns within three months.

The Bureau sent the taxpayer a letter to acknowledge his protest and accept the 1997 return. The taxpayer was advised the portion of the NODD addressing the 1997 Idaho return was cancelled. Therefore, the taxpayer’s 1997 Idaho individual income tax return will not be discussed further in this decision.

When the promised returns did not arrive after further delay, the taxpayer’s file was transferred to the Legal/Tax Policy Division for administrative review. The taxpayer did not respond to a letter from the Tax Appeals Specialist advising him of his appeal rights.

The taxpayer has not filed his 1998 and 2001 through 2003 Idaho income tax returns and has submitted nothing that would cast doubt on the Bureau’s determination that was based on records retained by the IRS and the Tax Commission. The filing status of married filing separate was used because, by not filing state or federal income tax returns for 1998 and 2001 through 2003, the taxpayer did not make the election to file joint returns. One-half of the community income was used to determine the tax amount, which was reduced by one-half of the community withholding.

The interest and penalty added by the Bureau pursuant to Idaho Code §§ 63-3045 and 63-3046 was reviewed and found to be 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 June 7, 2005, is hereby MODIFIED and, as so modified, is 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	\$1,102	\$276	\$512	\$1,890
2001	1,155	289	271	1,715
2002	1,305	326	223	1,854
2003	1,201	300	141	<u>1,642</u>
			TOTAL	\$7,101

Interest is computed through April 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

\_\_\_\_\_  
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]

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