

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 19237
[REDACTED],)	
)	DECISION
Petitioner.)	
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)	

On October 14, 2005, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination (NODD) to [Redacted] (taxpayer), proposing additional individual income tax, penalty, and interest in the amount of \$195 for the tax year 2003.

The taxpayer filed a timely appeal and petition for redetermination. She did not request a conference. The Tax Commission has reviewed the file, is advised of its contents, and hereby issues its decision based thereon.

Idaho Code § 63-3002 provides:

Declaration of intent. It is the intent of the legislature by the adoption of this act, insofar as possible to make the provisions of the Idaho act identical to the provisions of the Federal Internal Revenue Code relating to the measurement of taxable income, to the end that the taxable income reported each taxable year by a taxpayer to the internal revenue service shall be the identical sum reported to this state, subject only to modifications contained in the Idaho law; . . .

The intent of the Idaho Legislature is to follow the federal determination of income subject only to modifications contained in Idaho law. [Redacted]

Because the additional income resulted in an increase to her Idaho tax, the Bureau notified the taxpayer of the determination of additional tax and interest. In response to the NODD, the taxpayer sent a letter stating she moved from Idaho to establish her residency in Washington in April 2003.

Because the initial audit report and NODD had been computed as if the taxpayer had been a resident of Idaho for three months during 2003, the Bureau amended that report and sent the taxpayer a modification of the NODD to reflect one additional month of residency in Idaho. The standard deduction, personal exemption and grocery credit were adjusted to reflect the four months the taxpayer was subject to Idaho income tax.

The taxpayer's file was transferred to the Legal/Tax Policy Division for administrative review. A letter was sent to advise the taxpayer of her right to request a hearing or send additional information. She did not respond.

The taxpayer filed a timely 2003 Idaho resident individual income tax return wherein she reported only the income she received from her Idaho employer. Pursuant to Idaho Code § 63-3002, a taxpayer is required to report to the Tax Commission the identical sum of income that was reported to the IRS.

As a part-year resident for tax year 2003, the taxpayer's Idaho individual income tax is computed by dividing the income earned during her four months of residency by the total income from all sources for the year. That percentage is then used to prorate the deductions and exemptions. The grocery credit allowed for a full year Idaho resident is reduced by the number of months the taxpayer was not a resident of Idaho.

A Notice of Deficiency Determination issued by the Idaho State Tax Commission is presumed to be accurate. Parsons v. Idaho State Tax Comm'n, 110 Idaho 572 (Ct. App. 1986). Having presented no further information in support of her argument, 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 October 14, 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 additional tax, penalty, and interest for 2003:

<u>TAX</u>	<u>INTEREST</u>	<u>TOTAL</u>
\$175	\$ 21	\$196

Interest has been computed through April 30, 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.
