

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 19246
[REDACTED],)	
)	DECISION
Petitioners.)	
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)	

On November 10, 2005, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination (NODD) to [Redacted] (taxpayers), proposing income tax, penalty, and interest for taxable years 2000 through 2001 in the total amount of \$6,580.

The taxpayers filed a timely appeal. They did not submit additional information or 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 taxpayers received Idaho sourced income during 2000 and 2001. [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 sent the taxpayers a NODD addressing tax years 2000 and 2001 [Redacted]. The taxpayers protested in a letter dated November 29, 2005, that was signed by [Redacted]. He said he would like to send his W-2s and get “this” resolved but did not indicate when or if he would do that.

The Bureau responded by letter acknowledging the protest and asking again for the returns. When nothing was received from the taxpayers, their protest file was transferred to the Legal/Tax Policy Division for administrative review. The Tax Appeals Specialist sent a letter to the taxpayers to advise them of their rights regarding their appeal but no response was received.

Tax Commission records show that during the years 2000 and 2001 the taxpayers were Idaho residents with Idaho sourced income in excess of Idaho’s filing requirements. The taxpayers have not filed the two Idaho individual income tax returns and have not indicated when the Tax Commission might expect to receive those returns.

The Bureau used federal and state income records of the taxpayers’ income to calculate the Idaho income tax responsibility. The taxpayers were allowed the standard deduction and credit for two personal exemptions. Six dollars of withholding that could be identified in Tax Commission records was allowed to reduce the tax amount for 2001. No withholding could be identified for 2000.

The Bureau added interest and penalty 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.

The Tax Commission is left with no choice in the appeal. Unless the taxpayers file Idaho returns or provide additional information to show the Bureau's computations are in error, the Tax Commission is unable to adjust the NODD.

A NODD 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 their argument, the taxpayers have failed to meet their 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 November 10, 2005, is hereby APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the taxpayers pay the following tax, penalty, and interest.

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2000	\$2,584	\$646	\$858	\$4,088
2001	1,749	437	446	<u>2,632</u>
			TOTAL DUE	<u>\$6,720</u>

Interest is computed through July 31, 2006.

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

An explanation of taxpayers' 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]