

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

In the Matter of the Protest of	)	
	)	DOCKET NO. 19250
[REDACTED],	)	
	)	DECISION
Petitioner.	)	
_____	)	

On November 9, 2005, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination to [Redacted] (taxpayer), proposing income tax, penalty, and interest for taxable year 2003 in the amount of \$15,392.

The taxpayer filed a timely protest. He did not submit additional information or request an informal conference. The Tax Commission, having reviewed the file, hereby issues its decision based upon the information contained in the file.

When the Bureau could find no record of the taxpayer's 2003 Idaho individual income tax return, the taxpayer was sent a letter advising him of the missing return and asking him for an explanation. 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.

Because the taxpayer did not file his state income tax return, the Bureau prepared a provisional return and issued a deficiency notice. The taxpayer answered the notice with a letter stating that he was in the process of getting his 2003 return completed, “At which time we will know how much is owed.”

The Bureau sent the taxpayer a letter to acknowledge his protest. He was allowed further delay; however, after two additional letters without a response from him, his file was transferred to the Legal/Tax Policy Division of the Tax Commission for administrative review. He did not answer a letter advising him of his right to submit additional information or request an informal conference.

The Idaho resident income tax return the Bureau prepared on behalf of the taxpayer was based on income information gleaned from the taxpayer’s [Redacted] records retained by the Tax Commission.

The Tax Commission’s information shows the taxpayer had an active sales/use tax permit and a withholding permit under the name, “[Redacted]” during 2003. Sales/use tax reports submitted by the taxpayer were used to estimate the income and resulting 2003 income tax due.

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).

The taxpayer has provided nothing that would dissuade the Tax Commission from accepting

the Bureau's determination of Idaho income and Idaho income tax for 2003. The penalty and interest additions were calculated in conformity with Idaho Code §§ 63-3045 and 63-3046.

WHEREFORE, the Notice of Deficiency Determination dated November 9, 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 for 2003:

<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
\$11,355	\$2,839	\$1,507	\$15,701

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]

[Redacted]