

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

| | | |
|---------------------------------|---|------------------|
| In the Matter of the Protest of |) | |
| |) | DOCKET NO. 19631 |
| [REDACTED], |) | |
| |) | DECISION |
| Petitioner. |) | |
| _____ |) | |

On June 16, 2006, 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 tax years 2000, 2001, 2003, and 2004 in the total amount of \$6,894.

The taxpayer protested the determination. He did not request a hearing but did provide additional information. The Tax Commission, having reviewed the file, hereby issues its decision based thereon.

Idaho Code § 63-3030 states:

63-3030. Persons required to make returns of income.

(a) Returns with respect to taxes measured by income in this chapter shall be made by the following:

- (1) Every resident individual required to file a federal return under section 6012(a)(1) of the Internal Revenue Code).
- (2) Any nonresident individual having for the current taxable year a gross income from Idaho sources in excess of two thousand five hundred dollars (\$2,500), or any part-year resident individual having for the current taxable year a gross income from all sources while domiciled in or residing in Idaho, and from Idaho sources while not domiciled in and not residing in Idaho, which in total are in excess of two thousand five hundred dollars (\$2,500);

Information available to the Tax Commission indicated the taxpayer was an Idaho resident with an Idaho filing requirement during the years at issue. During a portion of the period, the taxpayer was self-employed in construction. Because the Tax Commission's files did not include the taxpayer's Idaho individual income tax returns, the Bureau issued a NODD. The taxpayer

appealed the determination.

In the letter of appeal, the taxpayer said he had only a couple more hours of work to do on his 2003 return before sending it to the Tax Commission for filing. Subsequently, that 2003 return was submitted to the Tax Commission. The Bureau acknowledged receipt of the return and notified the taxpayer the return was accepted as filed and would no longer be a part of the NODD or the appeal.

After allowing the taxpayer additional time to prepare and submit the balance of the missing returns, the taxpayer's file was transferred to the Legal/Tax Policy Division for administrative review. The taxpayer responded to a letter from the Tax Policy Specialist wherein he was advised of his rights regarding his appeal by promising to have the 2004 return submitted by May 4, 2007. To date, the taxpayer's 2000, 2001, and 2004 Idaho individual income tax returns have not been filed with the Tax Commission.

The Bureau calculated the taxpayer's Idaho income tax responsibility using the information contained in the records of [Redacted] the State Tax Commission. [Redacted]

The taxpayer has failed to file his 2000, 2001, and 2004 Idaho individual income tax returns. Absent information to the contrary, the Tax Commission accepts the Bureau's calculation of Idaho income tax due for those years. A tentative payment of \$500 was allowed to offset a portion of the tax for 2001. No withholding was identified.

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). The burden is on the taxpayer to show that the tax deficiency is erroneous. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

WHEREFORE, the Notice of Deficiency Determination dated June 16, 2006, is hereby MODIFIED and, as so modified, is APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the taxpayer pays the following tax, penalty, and interest:

| <u>YEAR</u> | <u>TAX</u> | <u>PENALTY</u> | <u>INTEREST</u> | <u>TOTAL</u> |
|-------------|------------|----------------|-----------------|----------------|
| 2000 | \$2,151 | \$538 | \$861 | \$3,550 |
| 2001 | 754 | 189 | 244 | 1,187 |
| 2004 | 1,295 | 324 | 189 | <u>1,808</u> |
| | | | TOTAL DUE | <u>\$6,545</u> |

Interest is calculated through August 15, 2007.

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 enclosed with this decision.

DATED this ____ day of _____, 2007.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE BY MAIL

I hereby certify that I have on this _____ day of _____, 2007, 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.
