

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 19686B
[REDACTED],)	
)	DECISION
Petitioner.)	
_____)	

On July 28, 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 taxable year 2000 in the amount of \$479.

The taxpayer filed a timely protest. He did not request a hearing. The Tax Commission, having reviewed the file, hereby issues its decision based upon the information contained in the file.

The Bureau determined the taxpayer was a self-employed Idaho resident who had not filed Idaho individual income tax returns for the years 2000 through 2004. [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 taxpayer a letter asking for information. When the Bureau did not receive a response from the taxpayer, it prepared a return on his behalf for tax year 2000 based on available records. The records indicated the income amounts and resulting tax due was not worth pursuing returns for tax years 2001 through 2004. Therefore, tax years 2001 through 2004 were not included in the NODD.

The taxpayer's wife telephoned the Bureau to object to the Bureau's determination of tax due followed with a written protest by email asking for additional time to locate the information needed to prepare accurate income tax returns. She said the city sewer backed up in the basement where tax records are stored. The hastily packed and stacked boxes of tax information must be sorted through to identify and retrieve the information required for the preparation of the missing returns. She said she hoped to have the 2000 return ready to file by November 1, 2006.

The Bureau sent the taxpayer a letter accepting his protest and allowing him additional time. Over the course of the next several months, the taxpayer's wife sent at least four additional emails complaining about the continued problem with the city sewer and asking for additional time. When the long promised return did not arrive at the Tax Commission, the taxpayer's file was transferred to the Legal/Tax Policy Division of the Tax Commission for administrative review. The taxpayer did not respond to a letter from the Tax Policy Specialist advising him of his appeal rights.

The taxpayer met the requirements for filing an Idaho individual income tax return for 2000 but did not file a return. Because he and his wife did not make the election to file a 2000 federal or state individual income tax return as married filing joint, the Bureau could not make that

choice for them. The 2000 Idaho return was prepared using the filing status of married filing separate.

The Bureau computed the taxpayer's Idaho income tax responsibility using the standard deduction and one personal exemption based on income amounts reported to the [Redacted] Tax Commission. He was allowed one grocery credit and credit for one-half of a \$24 tentative payment.

The Tax Commission has received nothing to suggest the income amounts used in the NODD prepared by the Bureau were in error. The penalty and interest additions were calculated in conformity with Idaho Code §§ 63-3045 and 63-3046.

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 (Idaho 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 July 28, 2006, 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 2000:

<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
\$301	\$75	\$117	\$493

Interest is computed through June 15, 2007.

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 _____, 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.
