

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 20110
[REDACTED],)	
)	DECISION
Petitioners.)	
_____)	

On April 3, 2007, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination (NODD) to [Redacted] proposing income tax, penalty, and interest for tax years 2000 through 2005 in the total amount of \$12,951.

The petitioners protested the determination. They 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 petitioners had a filing requirement with the state of Idaho. Because the Tax Commission's files did not include the petitioners' Idaho individual income tax returns for 2000 through 2005, the Bureau determined the

Idaho tax, penalty, and interest for each year and issued a NODD. [Redacted] appealed the determination.

With his letter appealing the determination, Mr. [Redacted] submitted completed Idaho returns for the years 2000 through 2004. He did not furnish a return for tax year 2005 but indicated, “The 2005 form is still being worked on.”

The Bureau accepted these returns as better representations of the petitioners’ Idaho income tax responsibility than the amounts shown in the NODD. The petitioners were advised the Idaho income tax returns for the years 2000 through 2004 were accepted as filed and would no longer be a part of the appeal. The taxpayers were allowed until July 25, 2007, to submit their completed Idaho return for 2005.

When the petitioners’ 2005 return was not received after the additional time, their file was transferred to the Legal/Tax Policy Division for administrative review. The petitioners did not respond to a letter from the Tax Policy Specialist wherein they were advised of their rights regarding their appeal. To date, the petitioners’ 2005 Idaho individual income tax return has not been filed with the Tax Commission.

The Bureau calculated the petitioners’ Idaho income tax responsibility using the information contained in the records of the [Redacted] Tax Commission. [Redacted]

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 petitioners to show that the tax deficiency is erroneous. Albertson’s, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

The Tax Commission accepts the Bureau’s calculation of Idaho income tax, penalty, and

interest for tax year 2005. Withholding in the amount of \$1,077 was allowed to offset a portion of the tax due.

WHEREFORE, the Notice of Deficiency Determination dated April 3, 2007, is hereby MODIFIED and, as so modified, is APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the petitioners pay the following tax, penalty, and interest for 2005:

<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
\$3,564	\$891	\$349	\$4,804

Interest is calculated through October 15, 2007.

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

An explanation of the petitioners' 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.
