

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

In the Matter of the Protest of	)	
	)	DOCKET NO. 20178
[REDACTED],	)	
	)	DECISION
Petitioners.	)	
_____	)	

On April 9, 2007, the Income Tax Audit division of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NODD) to [Redacted] (taxpayers) proposing additional income tax, penalty, and interest for tax year 2003 in the total amount of \$2,220.

On April 25, 2007, a timely protest and petition for redetermination was filed by the taxpayers. The taxpayers did not request a hearing but have submitted additional documentation from the Internal Revenue Service (IRS). The Commission has reviewed the file, is advised of its contents, and hereby issues its decision modifying the NODD.

[Redacted]

The protest letter sent by the taxpayers stated a request for audit reconsideration for tax year 2003 had been filed with the IRS. The taxpayers requested that additional time be granted by the Commission to allow the IRS time to complete the appeals process and send a report.

[Redacted] Idaho Code § 63-3002 states it is the intent of the Idaho legislature to make the Idaho income tax code identical to the internal revenue code in the way taxable income is determined. Idaho Code § 63-3069 states that, upon a final determination of any deficiency or refund of federal taxes, written notice shall be immediately sent to the State Tax Commission by the taxpayer. IDAPA 35.01.01 Income Tax Administrative Rules 890.03 states that immediate notification is to be within 60 days of the final determination.

From the cited Idaho Code sections and the Administrative Rule, it is apparent the Idaho legislature intended any changes made to the taxpayers' federal return to be reflected on the taxpayers' Idaho return. Therefore, it is the Commission's position the changes made to the taxpayers' federal return must be made to the taxpayers' state return.

[Redacted]

WHEREFORE, Notice of Deficiency Determination dated April 9, 2007, is hereby MODIFIED, and as so modified, APPROVED, AFFIRMED, and MADE FINAL.

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2003	\$1,144	\$57	\$357	\$1,558

Interest is calculated through March 15, 2009.

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

An explanation of the taxpayers' right to appeal this decision is enclosed.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

IDAHO STATE TAX COMMISSION

\_\_\_\_\_  
COMMISSIONER

**CERTIFICATE OF SERVICE**

I hereby certify that on this \_\_\_\_\_ day of \_\_\_\_\_, 2008, a copy of the within and foregoing DECISION was served by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[REDACTED]

Receipt No.

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