

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 20308
[REDACTED])	
)	DECISION
Petitioner.)	
_____)	

On March 29, 2007, an auditor for the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination to [Redacted] (petitioner) proposing withholding tax, penalty, and interest for the period January 1, 2005, through December 31, 2006, in the total amount of \$13,636. The NODD issued to the petitioner contained the auditor’s finding that the workers were employees of the petitioner and that the petitioner should have withheld Idaho income tax on the workers performing delivery services for the petitioner. The auditor’s finding was based primarily on the petitioner’s failure to provide requested information. Additionally, the auditor applied the failure to file penalty found in Idaho Code section 63-3046(c)(1). The petitioner filed a timely protest and petition for redetermination.

Subsequent to the issuance of the NODD, the petitioner provided answers to the majority of the auditor’s initial questions. The auditor reviewed the responses and found that based upon the information provided, the workers were employees of the petitioner rather than independent contractors. The auditor’s findings are found in the auditor’s protest summary dated June 21, 2007; a copy of which has been provided to the petitioner.

A hearing was held on April 8, 2008. The Tax Commission, having reviewed the file, hereby issues its decision.

The issue before the Commission is whether or not the workers [Redacted] are doing so as employees or independent contractors of the petitioner.

[Redacted] is the president of the petitioner and does not receive a salary from the petitioner which raises a question regarding [Redacted] employment status with the petitioner. Additionally, the petitioner has not filed Idaho income tax returns for the years at issue. These issues, although briefly discussed at the hearing with the Commission, were not part of the NODD or petition for redetermination, nor has the Commission been asked to address these issues as part of this decision. If the Commission's staff pursues [Redacted] employment status with the petitioner or the petitioner's failure to file income tax returns, the Commission reserves the right to rule on those issues in the future.

I. History

On December 14, 2004, the petitioner filed its Articles of Incorporation with the Idaho Secretary of State. [Redacted]. Since the petitioner has not filed Idaho income tax returns, it is unclear if the petitioner has filed an election to be treated as an S corporation; however, other information available to the Commission indicates that the petitioner is most likely an S corporation.

The petitioner provided the Commission with a copy of a Delivery Service Agreement effective January 1, 2006, a Delivery Service Agreement Addendum dated April 17, 2006, and 14 other Addendums to the Agreement each dated May 27, 2006. The Agreement and various Addendums list the petitioner [Redacted] as the parties to the Agreement. [Redacted] signed the Agreement and each Addendum on behalf of the petitioner as its president.

[Redacted]. Section four proclaims that the contract is not a "personal service contract" and that the petitioner is free to employ other persons to assist in the performance of the contract but that the petitioner shall be solely responsible for the performance of the contract and for all legal obligations, liabilities, and expenses arising therefrom.

The April 14, 2006, Addendum to the Agreement identifies the delivery type or location within the contracted area as including newsstand, news rack, hotel, school, and all. Section two of the original Agreement simply listed the delivery type or location as “All.” Each of the other 14 Addendums to the Agreement specifies a truck number following [Redacted]name. [Redacted] stated that the truck number identifies a specific route and that some of the routes were combined and treated as one route.

The auditor, in arriving at a determination of employee relationship between the petitioner and the workers, had attributed to the workers a number of the duties found in the contract between the petitioner [Redacted]. During the hearing, the petitioner’s representative disputed the auditor’s finding that the delivery drivers engage in activities beyond simply picking up the [Redacted] bundles and dropping the bundles off at predetermined drop sites [Redacted]. The petitioner’s representative stated at the hearing that the contract between the petitioner [Redacted] was basically a standard contract used [Redacted] for various contractors and that it did not represent what was actually being performed by the petitioner. However, later on in the discussion, [Redacted] identified the combined truck route [Redacted] route; a type of route that appears to the Commission to include activities beyond just picking up and dropping off [Redacted] bundles. According to [Redacted], the [Redacted] route was performed by him and not the other workers. The remaining routes, according to the petitioner’s representative, only involve dropping off bundles [Redacted] to designated drop sites and nothing more. The petitioner typically uses former [Redacted] carriers to perform the delivery of the bundles [Redacted] to the designated drop sites. [Redacted]son received a Federal Form 1099 and may be one of the workers delivering the [Redacted] bundles to drop sites.

Although the petitioner [Redacted] have entered into a written contract, the same cannot be said for the arrangement between the petitioner and the workers. According to the petitioner, the contract with each of the workers is an oral contract whereby (1) the [Redacted] bundles are to be picked up [Redacted] shortly after the [Redacted] bundles have been placed on the dock, and the bundles are to be delivered to each drop site for [Redacted] carriers in a timely manner thereafter; (2) The [Redacted], not the petitioner, provides the worker with information on where the [Redacted] bundles are to be dropped off; (3) the workers are free to determine the manner, method, or mode of performing the work; (4) the workers delivering to the drop sites are to provide their own delivery vehicle, insurance, and maintain a current driver's license; (5) the workers are not reimbursed for the use of their own vehicles or the expenses incurred thereon; (6) if the loads are too heavy for the worker's own vehicle, the petitioner has [Redacted] trailers available that a worker can use at no cost to the worker; (7) the worker is responsible for any damage to the trailers; (8) if a worker is unavailable to make the delivery, the worker must first attempt to find a replacement, and if a replacement cannot be found, the petitioner will find a replacement; (9) the worker is free to subcontract out the delivery responsibilities, and at least one worker has done so; (10) the workers are not provided training as the workers are usually former [Redacted] carriers familiar with the dock location, route location, etc...; however, if need be, a new worker may accompany another worker in the form of a ride along; (11) the worker is not prohibited from engaging in similar activities [Redacted]; (12) each worker is paid a flat fee based upon the number of bundles [Redacted] delivered and the number of drops made; (13) the workers receive their pay approximately every two weeks rather than at the completion of each day's work (at the hearing the petitioner's representative indicated that paying the workers approximately every two weeks was simply a business decision made by the petitioner

to reduce the administrative cost to the petitioner); (14) the petitioner does not provide any retirement, health, or other benefits to the workers; and (15) title to the [Redacted] bundles did not vest with the workers; however, the workers are responsible for the cost of destroyed or lost [Redacted] bundles in the event [Redacted] were to pursue the petitioner for such cost.

After the informal hearing, the auditor attempted to contact the various workers to verify certain information. The auditor sent letters to ten of the workers with only two of the workers responding back by e-mail and one worker by telephone. The auditor asked the workers:

1. How did you find out about the hauling position?
2. Describe the terms and conditions of the work arrangement with the petitioner.
3. What specific training and/or instructions were given to you by the petitioner or anyone associated with the petitioner?
4. How did you receive assignments?
5. If you couldn't perform services on a particular day, what were the procedures to have someone else cover the route?
6. Were you instructed on the methods necessary to perform your services? If so, who provided the instruction? Please provide a brief description of the training.
7. If substitutes or helpers are needed, who hires them?
8. Who is responsible for paying substitutes or helpers?
9. List any equipment, supplies, materials, or property provided by the petitioner you used in performing your services.
10. Briefly describe a normal working day for the petitioner.

Worker A and Worker B responded by e-mail, and Worker C responded by telephone as follows:

- Worker A's response: 1) heard about the delivery position from a former hauler, 2) considered the contract a contract hauler contract, 3) received no training, 4) makes own delivery schedule and picks up [Redacted] when available, 5) finds someone to

cover the delivery route if unable to perform the delivery, 6) did not need instructions on how to perform the delivery service, 7) hires any subcontractors, 8) pays any subcontractor the worker hires, 9) rents any additional equipment needed, and 10) arrives at dock, given paperwork for actual [Redacted] carriers by [Redacted] company, loads own load, and heads to drop site. Upon arrival at drop sites, services any [Redacted]. This procedure is performed twice since Worker A covers two drop sites.

- Worker B's response: 1) contacted by petitioner since worker was former carrier for newspaper, 2) considers contract to be a contract hauler contract, 3) no training provided or needed, 4) works when the work is available, 5) finds own replacement if unable to perform the delivery, 6) no instructions or training provided by petitioner, 7) hires own substitutes or helpers if needed, 8) pays any substitutes or helpers, 9) provides or rents own equipment to perform the delivery service, 10) arrives at dock, sorts paperwork given to worker by the [Redacted] company for paper carriers, loads own load, and heads to drop site. Upon arrival at drop sites, services any [Redacted] carriers waiting and then downloads the remainder of the load in the order of the paper work in the amount each route gets.

- Worker C's response: Basically, this worker responded by telephone indicating that he found out about the position from a third party. The petitioner provided instructions on where to drop the [Redacted] and how to do the paperwork. If unavailable to make delivery, the petitioner was the one that found someone to cover the route. The petitioner would sometimes contact him to cover another worker's route. At the dock, the dock workers would provide the paperwork to be given to the [Redacted]

carriers which was basically instructions for the carriers (not the haulers) on where to put the customer's paper or which customer was not getting [Redacted]that day.

The auditor sent Worker A a follow-up e-mail asking a few more questions; however, Worker A did not respond to the auditor's e-mail.

II. Law and Analysis

Idaho Code section 63-3035(a) states, in pertinent part, that "Every employer who is required under the provisions of the Internal Revenue Code to withhold, collect and pay income tax on wages or salaries paid by such employer to any employee (other than employees specified in Internal Revenue Code section 3401(a)(2)) shall, at the time of such payment of wages, salary, bonus, or other emolument to such employee, deduct and retain therefrom an amount substantially equivalent to the tax reasonably calculated by the state tax commission to be due from the employee under this chapter." Idaho Code section 63-3018 defines the term employee to mean an employee as defined in the Internal Revenue Code.

Idaho Income Tax Administrative Rule 871.01 states that for employers other than farmers:

01. An employer is required to withhold from all salaries, wages, tips, bonuses, or other compensation paid to an employee for services performed in Idaho if:
 - a. The employer is required to withhold for federal purposes; and
 - b. The employee is an Idaho resident; or the employee is a nonresident and compensation of one thousand dollars (\$1,000) or more will be paid during a calendar year to the nonresident employee for services performed in Idaho.

For the purpose of Idaho withholdings on wages, Idaho law looks to the filing requirement for federal withholding found in the Internal Revenue Code.

Subtitle C of the Internal Revenue Code governs payment of employment taxes. More

specifically, Chapter 24, Subchapter A, sections 3401 through 3406 govern withholding from wages. Internal Revenue Code section 3401(d) treats any person as an employer for whom an individual performs or performed any service, of whatever nature, as the employee of such person except in a couple of instances not pertinent to the case at hand. Internal Revenue Code Section 3401(c) identifies several types of individuals as an employee, including an officer of a corporation, but does not actually define the term employee.

Under Treas. Reg. section 31.3401(c)-1(a) the term employee includes every individual performing services if the relationship between him and the person for whom he performs such services is the legal relationship of employer and employee. Thus federal law employs the common law analysis in determining the legal relationship of an employer and employee.

The Internal Revenue Service (IRS) generally applies common law factors in determining whether an employee/employer relationship exists. *Professional & Executive Leasing v. Commissioner*, 89 TC 225, 231 & N. 10 (1987), aff'd, 862 F.2d 751 (9th Cir.1988). In making the determination, the IRS has previously relied upon a "20 factor test" found in Rev. Rul. 87-41, 1987-1 C.B. 296 or beginning in 1997 focused on behavioral control, financial control, and type of relationship to determine the degree of control and independence.¹

Although the determination of an employer-employee relationship involves a mixed question of law and fact, the decision is predominantly one of fact. *Profl. & Executive Leasing, Inc. v. Commissioner*, 862 F.2d 751, 753 (9th Cir.1988). The Courts are guided by various factors; however, no single factor is dispositive. *Ewens & Miller, Inc. v. Commissioner*, 117 T.C. 263, 270, 2001 WL 1575671 (2001). These factors are: (1) The degree of control exercised by the principal over the details of the work, (2) the taxpayer's investment in the facilities used in

¹ A December 2007 news release and additional links discussing the IRS's approach to the independent contractor versus employee status question can be found at <http://www.irs.gov/newsroom/article/0,,id=177092,00.html>.

the work, (3) the taxpayer's opportunity for profit or loss, (4) whether the work performed is an integral part of the principal's business, (5) the principal's right of discharge, (6) the permanency of the relationship between the parties to a working relationship, (7) what relationship the parties to a working relationship believe they are creating, and (8) the provision of employee benefits. See *Moore v. Commissioner*, TC Memo 2007-13; *Professional & Executive Leasing v. Commissioner*, 89 TC 225, at 232 (citing, *United States v. Silk*, 331 U.S 704, 716 (1947)).

The Ninth Circuit Court of Appeals has declared that, in distinguishing employees from independent contractors, “employer control over the manner in which the work is performed, ‘either actual or the right to it, is the basic test.’” *General Inv. Corp.*, 823 F.2d, 337, 341 (quoting *Air Terminal Cab, Inc. v. United States*, 478 F.2d 575, 578 (8th Cir.), cert. denied, 414 U.S. 909 (1973)) (9th Cir. 1987); see also *United States v. Webb, Inc.*, 397 U.S. 179, 192 (1970) (control is the most important factor in employment test). Idaho courts have also placed substantial weight on control, for example, see *Merrill v. Duffy Reed Construction Co.*, 82 Idaho 410, 415, 353 P.2d 657 (1960) (“The authorities have suggested various tests for determining the relationship. No one test standing alone, except perhaps the right to control in the employer-employee relationship, and the lack of such right in that of principal and independent contractor, is wholly decisive”).

The Commission analyzes these factors one after the other as follows:

a. Degree of Control

According to the petitioner, (1) the [Redacted] bundles are to be picked up from the [Redacted] location shortly after the [Redacted] bundles have been placed on the dock and are to be delivered to each drop site [Redacted] in a timely manner thereafter; (2) [Redacted] provides the worker with information on where the [Redacted] bundles are to be dropped off; and (3) the

workers are free to determine the manner, method, or mode of performing the delivery of the [Redacted] bundles, thus the petitioner does not control the workers. At the hearing, the petitioner, through its representative, stated that the only activity engaged in by the workers was to simply pick up the [Redacted] bundles and deliver them to a drop site, nothing more.

The auditor argues that it is the petitioner not The [Redacted] that controls where the [Redacted] are to be delivered, assigns the routes, and in accordance with the written contract between The [Redacted] and the petitioner, has exclusive control over any substitutes, and is required to ensure the workers have valid drivers licenses and proof of insurance; accordingly, it is the auditor's opinion that these factors demonstrate actual control or the right to control the results.

In *Westover v. Stockholders Publishing Co., Inc.*, 237 F.2d 948 (9th Cir.1956), a case dealing with [Redacted] route men and dealers, the taxpayer fixed and prescribed the distribution area in which each route man and dealer worked and such area could not be altered by the route man or dealer. A route man or dealer could not do for a competitor of the taxpayer the work in which he was engaged in for the taxpayer. Route men and dealers could not permit anyone other than the taxpayer to stamp any advertising matter on the [Redacted] delivered to them, or permit the insertion of circulars or other advertising matter in such papers before delivery of the [Redacted] to readers. The Court in holding this factor as evidence of an employee relationship held that;

In the circumstances of the case, it is not too important that taxpayer neither reserved nor exercised the right to dictate precisely when and how the distribution territories would be canvassed or precisely when and how the papers would be delivered to subscribers. To begin with, the solicitation of subscriptions and the delivery of [Redacted] is not such a complicated business that it requires much control of details.

Supra, at 952.

It is unclear how the petitioner for the case at hand assigns the delivery routes to each of the workers; however, the contract between the petitioner and [Redacted] contains similar restrictions whereby the petitioner agreed not to stamp any advertising matter on the [Redacted] delivered to them, or permit the insertion of circulars or other advertising matter in such [Redacted] before delivery of the [Redacted]. The Commission believes that these restrictions would equally apply to the workers delivering the [Redacted] bundles to the [Redacted] carriers. Additionally, the contract between the petitioner and [Redacted] [Redacted] contains provisions for (1) collecting and maintaining “collection information” and “delivery information”, (2) delivering account statements, and (3) a requirement to place [Redacted] in a location according to the customers’ wishes; however, the petitioner has stated that these activities are not conducted by the workers at-issue as the workers only engage in the pick up and delivery of [Redacted] bundles.

The contract between the petitioner and [Redacted] does not restrict the petitioner from engaging in delivery activity for a competitor, and at the hearing, the petitioner indicated that the workers were not prohibited from engaging in other delivery activities including delivery activities for competitors. No evidence has been offered by either the petitioner or Commission staff if any of the workers actually do any other delivery services or engage in other revenue creating activity during the time period that the [Redacted] bundles are to be delivered.

Other courts have held that simply delivering [Redacted] within a specific timeframe to customers, without more, is not control. See e.g., *Dillon v. Commission*, 902 F.2d 406 (5th Cir. 1990) (in the [Redacted] business the timely delivery of papers to the right houses is the ultimate result sought not a 'method' of achieving some result); *Neve v. Austin Daily Herald*, 552 N.W.2d

45, 48 (Minn. App. 1996) (holding that in the [Redacted]industry, restrictions over the time, place, and manner of delivery generally do not create a master-servant relationship because they reflect the result to be obtained: “[Redacted]”); *Murrell v. Goertz*, 597 P.2d 1223, 1225-26 (Okla.Ct.App.1979) ([Redacted]may prescribe outcome-determinative policies, such as time for delivery and rubber-banding of papers, without transforming carrier into employee), cert. denied (Okla. July 16, 1979).

Idaho Courts, when confronted with a similar analysis for purposes of Idaho workman’s compensation, have found that “Unlike control over the manner, method or mode by which a task is performed, merely exerting control over the results of the work does not suggest an employment relationship.” *Excell Construction, Inc. v. State Department of Labor*, 141 Idaho 688, 695, 116 P.3d 18, 25 (2005). See, also, *Joslin v. Idaho Times Publishing co.*, 56 Idaho 242, 53 P.2d 323, 327 (1939) (instructions to mail/[Redacted]carriers were for what they were to do, where they were to do it, and when they were to do it but not “how” they were to do it).

In the *Westover v. Stockholders Publishing Co., Inc.*, situation, route men and dealers engaged in substantial activities beyond that of simply picking up [Redacted] bundles and delivering the bundles to drop sites. For example, the route men and dealers engaged in soliciting subscriptions, canvassing the distribution area for new customers, maintaining accurate and current lists of subscribers, all activities subject to the control of the publisher for whom the activities were being performed. The facts in this case align closer to those court holdings where workers are simply instructed on where to pick up the [Redacted] and where to deliver them; thus, those facts, without more, indicate control over the results of the work not control over the manner, method, or mode by which the task is performed. Accordingly, the Commission believes that this factor indicates a nonemployee relationship.

b. Investment in Facilities

In *Westover v. Stockholders Publishing Co., Inc.*, the Court gave little value to the use of ones own vehicle and stated that:

Nor was there any real investment by the workers in facilities for performing their duties. Some point was made upon the trial of the fact that the route men and dealers used their own automobiles in doing their work for taxpayer, but it was not shown that any of them procured the automobiles specifically for this purpose or that they limited the use of the automobiles to the performance of such work. If the supplying of the automobiles could be considered an important factor in the case, its influence disappears in the light of the fact that the workers received minimum weekly monetary allowances covering the use of the cars and the expense of operating the same.

237 F. 2d 948, at 952.

However, in *Byers v Commissioner*, T. C. Memo 2007-331, the court ruled that the taxpayer had made a significant investment in his delivery driving activity since he was required to either own or lease his own truck, tools, and other equipment.

Neither the contract between the petitioner and [Redacted] or information provided by the petitioner requires a specific type of vehicle to be used (i.e bicycle, motor scooter, motorbike, trailer, car, truck, etc....) in the delivery of the [Redacted] bundles to the [Redacted] carriers. The size and weight of the [Redacted] bundles would most likely limit the choices a worker has in picking up and delivering the [Redacted] bundles to the [Redacted] carriers in good condition. Moreover, there is no indication that the workers did not own their vehicles prior to being engaged by the petitioner. The petitioner provides workers with access to nine trailers free of charge if the worker's vehicle cannot handle a heavy work load; however, the record does not contain any information on how often the workers use the trailers, if all of the workers have used the trailers, or whether or not the petitioner requires the workers to have access to vehicles

(rented or owned) rated to haul specific weight limits or use specific hitch setups including ball size and electrical configurations in the event the worker's own vehicle cannot handle the heavier loads. What few workers that responded to the auditor's questions did indicate that if they did not have the necessary equipment to perform the delivery, they would rent the necessary equipment.

It has not been shown that the workers procured the delivery vehicles specifically for the purpose of delivering the [Redacted] bundles or that the vehicles are limited to the performance of such work, and, given that the petitioner makes trailers available to the workers free of charge, the Commission believes the facts as presented indicate that the workers do not have a significant investment in the facilities and tools; thus this factor indicates an employee relationship.

c. Opportunity for Profit or Loss

The petitioner's contract [Redacted] is for a weekly flat fee plus an additional fee per number of [Redacted] delivered, provided the price of gas remained above \$2.74 per gallon. The worker was paid a flat fee for the number of [Redacted] bundles delivered and drop sites. The petitioner stated at the hearing that the worker was not prohibited from working for competitors during the period in which the [Redacted] bundles were to be delivered nor was the worker prohibited from using helpers. The worker was required to provide and pay for his own vehicle, gas, and insurance, etc. The worker was also expected to pay any helper that the worker utilized in delivering the [Redacted] bundles. On the other hand, to the extent the worker's own vehicle was not able to handle a heavy load, the petitioner provided the worker with a trailer free of charge. The record is silent on (1) the profit or loss each of the workers reported; (2) what the workers unreimbursed expenses were; (3) if the workers rented or owned the vehicles or used

other equipment in the delivery of the [Redacted] bundles, and (4) if the workers earned revenue from others conducting delivery services or during the same timeframe the [Redacted] bundles were being delivered to the drop sites.

Since the workers' ability to earn a profit is capped by the number of [Redacted] delivered per drop site assigned by the petitioner, and the potential for loss is substantially diminished due to the free use of trailers for heavy loads, the Commission believes this factor indicates an employee relationship.

d. Work as an Integral Part of Principal's Business

The petitioner's contract [Redacted] is for the distribution of copies [Redacted] and other publications as subsequently agreed in writing within a specific area. The workers participated as delivery drivers in the petitioner's regular business for the years at issue and were an integral part of the petitioner's regular delivery service. The Commission believes this factor indicates an employee relationship.

e. Principal's Right of Discharge

No evidence has been presented regarding the termination arrangement under the oral agreement between the workers and the petitioner.

f. Permanency of the Relationship

It is unclear how long each of the workers performed delivery services for the petitioner under the oral contracts. Based upon the Federal Form 1099s issued by the petitioner to the various workers and other schedules provided to the Commission, 12 out of the 41 workers received compensation in both 2005 and 2006. The 12 workers received 72 percent and 65 percent of the total compensation, excluding the compensation paid [Redacted], for the delivery of the [Redacted] 2005 and 2006, respectively. Given what appears to be an automatic

renewal of the worker's oral contract and resulting in several of the workers working in both calendar years earning the majority of the compensation paid, the Commission believes that this factor indicates an employment relationship.

g. Relationship of the Parties

There is no written contract between the worker and the petitioner to assist the Commission with evaluating this factor; however, because the petitioner issued Federal Form 1099s to the workers rather than the W-2 wage statements (i.e., no accrued paid leave, no health or pension benefits, and no wage withholding) and used the term "contract haul" on many of the checks issued to pay the workers, the intent by the parties would appear to treat the workers as independent contractors. The Commission believes that this factor indicates a nonemployee relationship.

h. Employee Benefits

The petitioner stated at the hearing that no benefits were provided to the workers. This factor favors a nonemployee relationship.

III. Finding

This case is difficult to evaluate primarily due to the lack of documentary evidence identifying exactly how the petitioner's business operates and the workers role therein as well as the lack of response from the workers. Nonetheless, based upon the facts as known at the time of this decision, of the eight factors, the Commission believes that four factors indicate an employee relationship, three factors indicate a nonemployee relationship, and one factor is undeveloped. Therefore, the Commission finds that the workers picking up the [Redacted] bundles [Redacted] and delivering the [Redacted] bundles to designated drop sites are employees of the petitioner.

WHEREFORE, the Notice of Deficiency Determination dated March 29, 2007, is hereby APPROVED, AFFIRMED, and MADE FINAL.

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

<u>PERIOD</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
January 1, 2005, thru January 31, 2005	\$5,130	\$1,283	\$1,241	\$7,654
January 1, 2006, thru January 31, 2006	4,960	1,240	903	<u>7,103</u>
			TOTAL DUE	<u>14,757</u>

Interest is calculated through December 31, 2008, and will continue to accrue at the rate set forth in Idaho Code section 63-3045.

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

An explanation of the petitioner's 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]
[REDACTED]

Certified No.
