

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 20331
[Redacted],)	
)	DECISION
Petitioner.)	
_____)	

On May 1, 2007, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination to [Redacted] (taxpayer) proposing income tax, penalty, and interest for taxable years 2001 through 2005 in the total amount of \$67,425.

The taxpayer filed a timely protest. He did not submit additional information or request an informal conference. The Tax Commission, having reviewed the file, hereby issues its decision based upon the information contained in the file.

When the Bureau could find no record of the taxpayer's 2001 through 2005 Idaho individual income tax returns, the taxpayer was sent a letter advising him of the missing returns and asking him for an explanation. The taxpayer did not respond.

[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.

Because the taxpayer did not file his state income tax returns, the Bureau prepared provisional returns and issued a deficiency notice. The Bureau sent the taxpayer a letter to acknowledge his protest. He was allowed a continuance, however, when the returns did not arrive as promised, his file was transferred to the Legal/Tax Policy Division of the Tax Commission for administrative review.

The taxpayer did not respond to a letter advising him of his appeal rights. To date, the Tax Commission has not received the taxpayer's 2001 through 2005 Idaho income tax returns or any additional information.

[Redacted]

The Tax Commission's information showed the taxpayer had an active sales/use tax permit and a withholding permit under the name of [Redacted] during the periods in question. Sales/use tax reports submitted by the taxpayer were used to estimate the income and resulting tax due.

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 (Ct. 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).

The taxpayer has provided nothing that would dissuade the Tax Commission from accepting the Bureau's determination of Idaho income and Idaho income tax for tax years 2001 through 2005. The penalty and interest additions were calculated in conformity with Idaho Code §§ 63-3045 and 63-3046.

WHEREFORE, the Notice of Deficiency Determination dated May 1, 2007, is hereby APPROVED, AFFIRMED, and MADE FINAL.

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

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2001	\$11,440	\$2,860	\$4,165	\$18,465
2002	9,949	2,487	2,983	15,419
2003	8,792	2,198	2,171	13,161
2004	8,484	2,121	1,586	12,191
2005	7,582	1,896	962	<u>10,440</u>
			TOTAL DUE	<u>\$69,676</u>

Interest is computed through March 14, 2008.

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 with this decision.

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.
