

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 20392
[Redacted],)	
Petitioner.)	DECISION
_____)	

On May 23, 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 2004 in the total amount of \$9,297.

The taxpayer filed a timely protest. He submitted additional information, but did not 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 2004 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.

The Bureau prepared provisional returns and issued a deficiency notice. A letter of protest and a fully executed Power of Attorney (POA) form was received on July 23, 2007. The POA explained that the taxpayer is now living in [Redacted] to receive cancer treatments. The POA said the taxpayer has been disabled for ten years and is unable to continue work as a logger or roofer. A copy of the doctors' reports and letters from the Social Security Administration were enclosed with the letter of protest.

The Bureau sent a letter to acknowledge the protest. Based on information submitted by the taxpayer's POA that was verified with Tax Commission records, it was determined that the taxpayer did not have an Idaho individual income tax responsibility for tax years 2003 and 2004. The Bureau sent the taxpayer a letter cancelling the deficiency determination for tax years 2003 and 2004.

A continuance was allowed, however, when neither the taxpayer nor his POA responded to additional correspondence, the taxpayer's file was transferred to the Legal/Tax Policy Division of the Tax Commission for administrative review.

There was no response to a letter to the taxpayer and his POA that advised the taxpayer of his appeal rights. To date, the Tax Commission has not received the taxpayer's 2001 and 2002 Idaho individual income tax returns or any additional information.

Tax Commission's records show the taxpayer was a partner in an Idaho business [Redacted] during the years at issue. The Idaho individual income tax returns the Bureau prepared on behalf of the taxpayer were based on income information gleaned from the taxpayer's [Redacted] income records and the records retained by the Tax Commission. The filing status of single was used to determine the taxpayer's Idaho income tax responsibility. No withholding was identified.

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 and 2002. 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 23, 2007, is hereby MODIFIED and, as so modified, is 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	\$ 121	\$ 30	\$ 36	\$ 187
2002	3,097	774	730	<u>4,601</u>
			TOTAL DUE	<u>\$4,788</u>

Interest is computed through April 15, 2008.

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.

DATED this ____ day of _____, 2008.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE BY MAIL

I hereby certify that I have on this _____ day of _____, 2008, 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][Redacted]

[Redacted]
