

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 20469
[REDACTED],)	
)	DECISION
Petitioner.)	
_____)	

On June 21, 2007, the Tax Discovery Bureau (TDB) of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NOD) to [Redacted] (petitioner) proposing additional income tax, penalty, and interest for tax year 2004 in the total amount of \$538.

A timely protest and petition for redetermination was filed by the petitioner. The petitioner has not requested a hearing. The Commission has reviewed the file, is advised of its contents, and hereby issues its decision affirming the NOD.

The petitioner was issued an NOD by the Commission [Redacted]. [Redacted] The TDB, therefore, issued an NOD based on that information and adjusted the petitioner's Idaho return. The Commission finds that the TDB correctly recomputed the petitioner's tax liability [Redacted].

In the petitioner's protest letter received by fax on August 23, 2007, she stated in part:

At the time of my federal IRS tax audit and currently, I am dealing with multiple disabilities. At the time of my tax audit, my symptoms were exasperated and I was at an extremely low functioning level. At the time I disputed the amounts to the best of my abilities. I believe the audit inaccurate and this I am contending the amount I owe the State Tax Commission.

On August 30, 2007, the Tax Policy Specialist (policy specialist) sent the petitioner a letter to inform her of the alternatives for redetermining a protested NOD. A follow-up letter was sent to the petitioner on October 16, 2007. The petitioner's representative called on October 17, 2007, and October 24, 2007, but never provided the Commission with a power of attorney from the petitioner.

Idaho Code § 63-3002 states that it is the intent of the Idaho Legislature, insofar as

possible, 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 a taxpayer. IDAPA 35.01.01 Income Tax Administrative Rule 890.03 states that immediate written notification is required 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 a taxpayer's federal return to be reflected on the taxpayer's Idaho return. Therefore, it is the Commission's position that the changes made to the taxpayer's federal return must be made to the taxpayer's state return.

The petitioner has the burden of proving the adjustments were incorrect. The petitioner would like the Commission to re-audit [Redacted]. The Commission's position is that the petitioner must be granted relief at the federal level before relief can be granted at the state level. The petitioner has failed to carry the burden in this matter.

Since the petitioner has not provided the Commission with a contrary result [Redacted], the Commission must uphold the deficiency as asserted.

WHEREFORE, the Notice of Deficiency Determination dated June 21, 2007, is hereby APPROVED, AFFIRMED, and MADE FINAL.

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

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2004	\$449	\$22	\$111	\$582

Interest is calculated through January 30, 2009, and will continue to accrue at the rate set forth in Idaho Code section 63-3045(6) until paid.

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 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]

Receipt No.