

protested Notice of Deficiency Determination. The representative contacted the Tax Commission and suggested that we contact the taxpayers directly as he did not believe he currently represented the taxpayers. A blank Power of Attorney form, along with a letter explaining the methods available for redetermining a protested Notice of Deficiency Determination was then sent to the taxpayers. The taxpayers did not respond. The Tax Commission sent a follow-up letter to the taxpayer but still received no response from them. Therefore, the Tax Commission decided the matter based upon the information available.

Idaho Code section 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 section 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 35.01.01.890.03 Income Tax Administrative Rule 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 be reflected on the taxpayer's Idaho return. Therefore, it is the Tax Commission's position that the changes made to the taxpayers' federal return must be made to the taxpayers' state return.

The taxpayers' have not provided the Tax Commission with a contrary result to the IRS's original redetermination. The taxpayers must be granted relief at the federal level before relief can be granted at the state level. Therefore, the Tax Commission must uphold the Bureau's adjustment to the taxpayers' 2004 Idaho income tax return.

The Bureau added interest and penalty to the taxpayers' tax deficiency. The Tax Commission reviewed those additions and found them appropriate and in accordance with Idaho Code sections 63-3045 and 63-3046, respectively.

WHEREFORE, the Notice of Deficiency Determination dated June 22, 2007, is hereby APPROVED, AFFIRMED, and MADE FINAL.

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2004	\$224	\$11	\$54	\$289

Interest is calculated through December 14, 2008.

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

An explanation of the taxpayer'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]

Receipt No.
