

In the petitioner's protest received by fax on December 5, 2007, she stated in part:

Please find herewith the following in regards to the above-entitled matter:

1. Correspondence from IRS indicating that I do not owe additional tax.

The documents received by fax on December 5, 2007, indicated that the [Redacted] abated the adjustment to her home mortgage interest and showed a reduction in tax. The TDB confirmed that the [Redacted] made adjustments to reverse the disallowed home mortgage interest from \$5,473 to \$0. The remaining adjustments to the petitioner's Idaho income totaled \$6,596.

The TDB recalculated the tax, penalty, and interest and sent the petitioner a letter with the revised figures. The TDB also requested that the petitioner withdraw her protest. The petitioner called and said she still disagreed with the revised adjustments on the grounds that she received a refund [Redacted] rather than having to pay.

The TDB printed [Redacted] information on February 7, 2008, that showed the [Redacted] seized the petitioner's 2006 refund to pay the federal CP2000 assessment. The federal refund received by the petitioner was the portion of tax, penalty, and interest released by the revised reversed mortgage interest adjustment.

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.

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

WHEREFORE, the Notice of Deficiency Determination dated November 8, 2007, as MODIFIED, 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	\$489	\$24	\$123	\$636

Interest is calculated through March 12, 2009, and will continue to accrue at the rate set forth in Idaho Code § 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.
