

The Bureau referred the matter for administrative review, and the Tax Commission sent the taxpayer a letter that explained the methods available for redetermining a Notice of Deficiency Determination. The taxpayer did not respond. The Tax Commission sent a follow-up letter to the taxpayer but still received no response from him. Therefore, the Tax Commission decided the matter based upon the information available.

Idaho Code section 63-3002 states the intent of the Idaho Legislature regarding the Idaho Income Tax Act. It states that the Idaho Income Tax Act is to be identical to the Internal Revenue Code as it relates to the measurement of taxable income, in so much as the taxable income reported to Idaho is the same as that reported to the Internal Revenue Service, subject to the modifications contained in the Idaho law. [Redacted] Therefore, the Bureau corrected the taxpayer's Idaho income tax return to include the omitted income.

Since the taxpayer did not respond to either of the Tax Commission's letters, the Tax Commission has no additional information on which to make its decision. As previously stated, a change was made to the taxpayer's [Redacted] taxable income. Idaho Code section 63-3002 states that Idaho taxable income is to be identical to federal taxable income. The taxpayer has not provided anything to show that his [Redacted] taxable income was reduced to the amount he reported on his Idaho income tax return. In Idaho, it is well established that a Tax Commission deficiency notice is presumed to be correct, and the taxpayer bears the burden of showing the deficiency is erroneous. Parsons v. Idaho State Tax Commission, 110 Idaho 572, 574-575 n.2, 716 P.2d 1344, 1346-1347 n.2 (Ct. App. 1986); Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810, 814, 683 P.2d 846, 850 (1984). Therefore, the Tax Commission must uphold the Bureau's adjustment to the taxpayer's 2005 Idaho income tax return.

The Bureau added interest and penalty to the taxpayer's 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 February 27, 2008, 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>
2005	\$661	\$33	\$119	\$813

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.
