

The taxpayers' response to the Notice of Deficiency Determination was to return it to the Bureau with a letter stating that the document was not signed under penalty of perjury. They stated that the Bureau improperly used their registered trademark and if the Bureau wanted to use their trademark it would cost the Bureau \$100,000. The taxpayers stated they would gladly pay any legitimate debt as long as there was a lawful assessment. They asked for a copy of an oath of office and the name of the Bureau's bonding company.

The taxpayers provided nothing that disputed the additional tax due as determined by the Bureau. They provided nothing that contested the adjustments made at the federal level were improper. Idaho Code section 63-3002 states the legislative intent to make the provisions of the Idaho income tax act identical to the provisions of the Federal Internal Revenue Code relating to the measurement of taxable income. Consequently, any changes to federal taxable income would also change Idaho taxable income.

In Idaho, a State Tax Commission deficiency determination is presumed to be correct, and the burden is on the taxpayer to show that 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). The taxpayers did not show the deficiency was incorrect, nor did they put forth an argument against the Bureau's determination. They did not meet their burden. The Tax Commission reviewed the changes and found the adjustments were appropriate and well within Idaho's statutes. Therefore, the Tax Commission upholds the Bureau's determination.

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

WHEREFORE, the Notice of Deficiency Determination dated November 13, 2007, is hereby APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the taxpayers pay the following tax, penalty, and interest (computed to May 1, 2009):

| <u>YEAR</u> | <u>TAX</u> | <u>PENALTY</u> | <u>INTEREST</u> | <u>TOTAL</u> |
|-------------|------------|----------------|-----------------|--------------|
| 2004 | \$641 | \$ 32 | \$166 | \$839 |

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

An explanation of the petitioners' right to appeal this decision is enclosed.

DATED this _____ day of _____, 2009.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE

I hereby certify that on this _____ day of _____, 2009, 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.
