

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 21186
[Redacted])	
Petitioner.)	DECISION
)	
)	
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On April 8, 2008, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination (NODD) to [Redacted] (taxpayer) proposing income tax, penalty, and interest for taxable years 2001 through 2006 in the total amount of \$49,539.

The taxpayer filed a timely appeal. He did not request a hearing. The Tax Commission, having reviewed the file, hereby issues its decision based upon the information contained in the file.

Tax Commission records show the taxpayer was an Idaho resident who appeared to meet the Idaho individual income tax filing requirements. The Bureau attempted to contact the taxpayer for an explanation of why his 2001 through 2006 Idaho individual income tax returns had not been filed, but he did not respond to the inquiries.

[Redacted].

Idaho Code § 63-3045 (1) (a) states:

63-3045. Notice of redetermination or deficiency -- Interest. (1) (a) If, in the case of any taxpayer, the state tax commission determines that there is a deficiency in respect of the tax imposed by this title, the state tax commission shall, immediately upon discovery thereof, send notice of such deficiency to the taxpayer by registered or certified mail or by other commercial delivery service providing proof of delivery, whichever is the most cost efficient. The notice shall be sent to the taxpayer's last address known to the state tax commission. The notice of deficiency shall be accompanied by an explanation of the specific reason for the determination and an explanation of the taxpayer's right to appeal. Within sixty-three (63) days after such notice is mailed, the taxpayer may, at his option,

file a protest in writing with the state tax commission and obtain redetermination of the deficiency.

The Bureau prepared the missing Idaho returns on behalf of the taxpayer and sent him an NODD.

The NODD was based on information obtained from the [REDACTED] and the records retained by the Tax Commission.

The taxpayer protested the Bureau's determination of his income for taxable years 2001, and taxable years 2003 through 2006. In his protest letter, the taxpayer did not dispute the fact that he had a filing requirement but instead requested additional time in which to complete the returns. He also stated that he did not believe any tax would be due once itemized deductions and withholding amounts were taken into consideration. The taxpayer did not protest taxable year 2002; in fact, he sent payment in full for the amount due shown on the deficiency.

The taxpayer was allowed additional time. When the taxpayer did not deliver the returns to the Tax Commission after the allowed time, his file was transferred to the Legal/Tax Policy Division for administrative review. On April 8, 2009, the taxpayer responded to a letter advising him of his appeal rights stating that all returns would be filed by July 31, 2009. A follow-up email was sent by the policy specialist acknowledging the taxpayers self-imposed completion date. However, to date, no returns have been received.

The Idaho resident individual income tax returns the Bureau prepared on behalf of the taxpayer were based on income information gleaned from the taxpayer's federal income records and the records retained by the Tax Commission. Withholding in the amount of \$4,881, \$4,791 and \$6,001 for taxable years 2004 through 2006, respectively, was identified by the Commission, and the NODD was adjusted to offset a portion of the Idaho income tax due. The interest and penalty added by the Bureau pursuant to Idaho Code §§ 63-3045 and 63-3046 was reviewed and found to be proper and in accordance with Idaho Code.

A Notice of Deficiency Determination issued by the Idaho State Tax Commission is presumed to be accurate. Parsons v. Idaho State Tax Com'n, 110 Idaho 572 (Ct. App. 1986). The burden is on the taxpayer to show the deficiency is erroneous. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

The taxpayer failed to file his 2001 through 2006 Idaho individual income tax returns. Having presented no information in support of his argument, the taxpayer has failed to meet his burden of proving error on the part of the deficiency determination. Absent information to the contrary, the Tax Commission accepts the Bureau's calculation of Idaho income tax, penalty, and interest for those years.

WHEREFORE, the Notice of Deficiency Determination dated April 3, 2008, is hereby MODIFIED, and as MODIFIED, is APPROVED, 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>
2001	\$5,929	\$1,482	\$2,776	\$10,187
2002	15	10	5	30
2003	3,218	805	1,130	5,153
2004	2,680	670	780	4,130
2005	3,346	837	773	4,956
2006	3,493	873	588	4,954
			TOTAL	\$29,410
			AMOUNT PAID	(30)
			TOTAL DUE	<u>\$29,380</u>

Interest is calculated through December 18, 2009.

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 _____, 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.