

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 21327
[REDACTED],)	
)	DECISION
Petitioners.)	
_____)	

On June 20, 2007, the Income Tax Audit division of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NODD) to [Redacted] (taxpayers) proposing additional income tax, penalty, and interest in the total amounts of \$1,845 for taxable year 2003 and \$66 for taxable year 2004.

On August 9, 2007, a timely protest and petition for redetermination was filed by the taxpayers' accountant. The taxpayers have not requested a hearing. The Commission has reviewed the file, is advised of its contents, and hereby issues its decision affirming the NODD.

[Redacted] The protest letter sent by the taxpayers' accountant stated that a request for audit reconsideration for taxable years 2003 and 2004 had been filed with [Redacted]. The accountant requested additional time be granted by the Commission to allow [Redacted] time to complete the appeals process and send a report.

[Redacted] Idaho Code § 63-3002 states it is the intent of the Idaho legislature 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 immediately be sent to the State Tax Commission by the taxpayer. IDAPA 35.01.01 Income Tax Administrative Rule 890.03 states that immediate notification is 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 the taxpayers' federal return to be reflected on the taxpayers' Idaho return. Therefore, it is the Commission's position the changes made to the taxpayers' federal return must be made to the taxpayers' state return.

Following the Idaho Code, the adjustments should be made to the taxpayers' Idaho income tax return. The taxpayers carry the burden to prove the adjustments were incorrect. [Redacted] Since the taxpayers have not provided the Commission with a contrary result [Redacted], the Commission must uphold the deficiency as asserted.

WHEREFORE, Notice of Deficiency Determination dated June 20, 2007, is hereby APPROVED, AFFIRMED, and MADE FINAL.

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

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2003	\$1,466	\$73	\$468	\$2,007
2004	49	10	13	<u>72</u>
			Total Due	\$2,079

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.
