

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 21417
[REDACTED],)	
)	DECISION
Petitioners.)	
_____)	

On July 31, 2008, 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 for taxable year 2003 in the total amount of \$1,299.

On September 19, 2008, a timely protest and petition for redetermination was filed by the taxpayers. 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 stated that they were appealing the results of the federal audit and felt it inappropriate to pay additional Idaho tax until the federal appeal is concluded.

[Redacted]Idaho Code § 63-3002 states that 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 be immediately 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' state return. Therefore, it is the Commission's position that the changes made to the taxpayers' federal return must be made to the taxpayers' state return.

The taxpayers carry the burden to prove the adjustments were incorrect. Th[Redacted]
[Redacted].

WHEREFORE, Notice of Deficiency Determination dated July 31, 2008, is hereby
APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the taxpayers pay the following additional tax, penalty, and interest:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2003	\$972	\$49	\$318	\$1,339

Interest is calculated through June 30, 2009.

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

An explanation of the taxpayers' 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.
