

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 21434
[Redacted],)	
)	DECISION
Petitioners.)	
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On July 14, 2008, the Tax Discovery Bureau (TDB) of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NOD) to [Redacted] (petitioners) proposing income tax, penalty, and interest for the taxable years 2005 and 2006 in the total amount of \$5,954.

A timely protest and petition for redetermination was filed by the petitioners. An informal hearing has not been requested by the petitioners. The Commission has reviewed the file, is advised of its contents, and hereby issues its decision modifying the NOD.

The petitioners failed to file their 2005 and 2006 individual income tax returns. On May 23, 2008, the TDB sent a letter with a questionnaire to the petitioners notifying them of the missing returns and requesting they complete and return the questionnaire. The petitioners did not respond to this letter. [Redacted]. The Commission issued an NOD to the petitioners on July 14, 2008, [Redacted].

In the petitioners' protest letter postmarked December 8, 2008, Tina Stauffer stated she needed to contact [Redacted] regarding taxable year 2006 and dig through files for 2005. She stated she would do so as soon as possible and get them to the Commission.

The TDB sent the petitioners a letter dated September 25, 2008, which stated that the TDB would retain the petitioners' file while they awaited the information the petitioners had yet to provide. The TDB requested the petitioners provide the information by October 31, 2008. If the petitioners' issues could not be resolved in the TDB, their file would be transferred to the

Commission's Legal/Tax Policy division for further review. The petitioners did not respond to this letter.

On December 31, 2008, the tax policy specialist (policy specialist) sent the petitioners a letter informing them of the alternatives for redetermining a protested NOD. A follow-up letter was sent to the petitioners on April 3, 2009. The petitioners did not respond to either letter.

The policy specialist reviewed the W-2 Wage and Tax Statements filed by the petitioners' employers with the Commission. The petitioners' W-2s for 2005 and 2006 were found in the Commission's records and the deficiencies for those years have been modified accordingly.

The petitioners have not provided the Commission with information to establish that the amounts asserted in the NOD, as adjusted, are incorrect. As a result, the Commission will uphold the NOD, as adjusted. A determination of the State Tax Commission is presumed to be correct. *Albertson's, Inc. v. State, Dept. of Revenue*, 106 Idaho 810, 814, 683 P.2d 846, 850 (1984). The burden is on the petitioners to show that the deficiency is erroneous. *Parsons v. Idaho State Tax Commission*, 110 Idaho 572, 574-575 n.2 (Ct. App. 1986).

[Redacted] The petitioners have not provided the Commission with a contrary result to the determination of their income [Redacted]. Therefore, the Commission must uphold the deficiency as modified.

WHEREFORE, the Notice of Deficiency Determination dated July 14, 2008, as MODIFIED, is hereby APPROVED, AFFIRMED, and MADE FINAL.

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

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2005	\$1,046	\$262	\$221	\$1,529
2006	1,384	346	207	<u>1,937</u>
				<u>\$3,466</u>

Interest is computed through August 4, 2009, and will continue to accrue at the rate set forth in Idaho Code § 63-3045(6) until paid.

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.