

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 21757
[REDACTED],)	
)	DECISION
Petitioner.)	
_____)	

On October 7, 2008, the staff of the Tax Discovery Bureau of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination to [Redacted] (taxpayer) proposing additional income tax, penalty, and interest for the taxable year 2005 in the total amount of \$1,096.

On December 9, 2008, the taxpayer filed a timely appeal and petition for redetermination. The taxpayer did not respond to the Commission's hearing rights letter and has provided nothing further for the Commission to consider. The Commission, having reviewed the file, hereby issues its decision.

[Redacted]. The Bureau reviewed the changes [Redacted] and determined the taxpayer's Idaho income tax return should be corrected as well. During this review of the Idaho return, the Bureau also identified additional income from pensions, annuities, and other [Redacted], such as filing status and the amount of exemptions claimed. The Bureau adjusted the taxpayer's 2005 Idaho income tax return and sent him a Notice of Deficiency Determination. The taxpayer appealed the Bureau's determination.

In his protest letter, the taxpayer simply stated that he was protesting the deficiency due to the lack of information as to the claim.

[Redacted]. [Redacted].

The Bureau referred the matter for administrative review, and the Commission sent the taxpayer a letter that explaining the methods available for redetermining a Notice of Deficiency Determination. The taxpayer did not respond. The Commission sent a follow-up letter to the taxpayer but received no response. Therefore, the Commission decided the matter based upon the information available.

Idaho Code § 63-3002 states the intent of the Idaho Legislature regarding the Idaho Income Tax Act. [Redacted].

Since the taxpayer did not respond to either of the Commission's letters, the Commission has no additional information on which to make its decision. As previously stated, a change was made to the taxpayer's [Redacted] taxable income. Idaho Code § 63-3002 states that Idaho taxable income is to be identical to federal taxable income, and Idaho Code § 63-3031 and Idaho Administrative Rule 805.01 state that the filing status and dependents claimed on the Idaho return must be the same as claimed on the federal return.

The taxpayer has not provided anything to show that his [Redacted] taxable income was reduced to the amount he reported on his Idaho income tax return or that he is entitled to claim an additional dependent exemption. In Idaho, it is well established that a Commission deficiency notice is presumed to be correct, and the taxpayer bears the burden of showing 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); Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810, 814, 683 P.2d 846, 850 (1984). Therefore, the Commission must uphold the Bureau's adjustment to the taxpayer's 2005 Idaho income tax return.

The Bureau added interest and penalty to the taxpayer's tax deficiency. The Tax Commission reviewed those additions and found them appropriate and in accordance with Idaho Code §§ 63-3045 and 63-3046, respectively.

WHEREFORE, the Notice of Deficiency Determination dated October 7, 2008, is hereby APPROVED, AFFIRMED, 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>
2005	\$892	\$45	\$195	\$1,132

Interest is calculated through September 15, 2009.

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

An explanation of the taxpayer'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.