

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)
) DOCKET NO. 21827
[Redacted],)
) DECISION
)
Petitioner.)
)
_____)

On July 10, 2008, the Tax Discovery Bureau (TDB) of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NOD) to [Redacted] (petitioner) proposing income tax, penalty, and interest for the taxable years 2004 and 2006 in the total amount of \$3,280.

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

The petitioner failed to file her 2004 and 2006 individual income tax returns. On March 31, 2008, the TDB sent a letter to the petitioner notifying her of the missing returns. The petitioner did not respond to this letter. [Redacted]. The Commission issued an NOD to the petitioner on July 10, 2008, [Redacted].

In the petitioner's protest letter dated and received by fax on September 11, 2008, she stated:

While I do not protest the fact that I need to file tax returns for the reporting periods of 2004 and 2006, I do not agree to the tax owing in the determination sent on July 10th for the following reasons:

2004:

My daughter, [Redacted], was living with me and was a full time student [Redacted]. She was a dependent for the entire year.

I have other itemized deductions for that tax year which include property taxes paid, insurance, and interest, medical expenses and donations as well as losses on stocks sold during the tax year.

2006:

I have other itemized deductions for the tax year which include property taxes paid, insurance, and interest, medical expenses and donations.

I will prepare a tax return for the reporting periods of 2004 and 2006 with in [sic] the next 30 days and make payment arrangements for any taxes/penalties owing.

The TDB sent the petitioner a letter dated September 11, 2008, which stated that the TDB would retain the petitioner's file while they awaited the information the petitioner had yet to provide. The TDB informed the petitioner that forms and instructions for filing her 2004 and 2006 Idaho individual income tax returns could be found on the Commission's web site, www.tax.idaho.gov. The TDB requested the petitioner complete her 2004 and 2006 returns, attach federal returns and W-2s, and send them to the TDB by October 23, 2008. The petitioner was informed that if her issues could not be resolved in the TDB, her file would be transferred to the Commission's Legal/Tax Policy division for further review. The petitioner did not respond to this letter.

On February 6, 2009, the TDB sent the petitioner a letter that requested that the petitioner send in her 2004 and 2006 returns by February 27, 2009. The petitioner did not respond to this letter.

On April 7, 2009, the tax policy specialist (policy specialist) sent the petitioner a letter to inform her of the alternatives for redetermining a protested NOD. On April 21, 2009, the Commission received the petitioner's 2004 and 2006 Idaho individual income tax returns along with her [Redacted] returns and schedules. The Commission reviewed the returns submitted and found that the petitioner made mathematical errors on her 2004 and 2006 [Redacted] income tax returns and schedules. A worksheet has been included with this decision that shows the correct totals for returns and supporting schedules.

[Redacted] The petitioner has provided the Commission with her actual Idaho income

tax returns for [Redacted]. These returns better represent the petitioner's taxable income than the returns prepared by the TDB. Therefore, the Commission must uphold the deficiency as modified.

WHEREFORE, the Notice of Deficiency Determination dated July 10, 2008, as MODIFIED, is hereby APPROVED, AFFIRMED, and MADE FINAL.

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

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2004	\$408	\$102	\$121	\$ 631
2006	349	87	61	<u>497</u>
			TOTAL DUE	<u>\$ 1,128</u>

Interest is computed through January 27, 2010, and will continue to accrue at the rate set forth in Idaho Code section 63-3045(6) until paid.

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.
