

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)
[Redacted],) DOCKET NO. 22668
)
)
Petitioner.) DECISION
)
_____)

On January 7, 2010, the staff of the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NODD) to [Redacted] (taxpayer) proposing income tax, penalty, and interest for taxable year 2002 in the total amount of \$2,308.

On March 4, 2010, the taxpayer filed a timely protest and request for redetermination. The Commission has reviewed the file in this matter and now issues its decision.

When the Bureau could not find any record of the taxpayer’s 2002 Idaho individual income tax return, the taxpayer was sent a letter advising him of the missing return and asking him for an explanation. The taxpayer did not respond. The Bureau issued an NODD and, on March 4, 2010, received a timely protest from the taxpayer. His file was transferred to the Legal and Tax Policy Section for continuation of the appeals process.

The taxpayer does not dispute he has a filing requirement but believes he had withholding that he was not given credit for on the NODD. The taxpayer also stated that he attempted to obtain a copy of his 2002 W-2 from his employer but to no avail.

Tax Commission records show the taxpayer was employed by [Redacted] for taxable year 2002 and the three previous taxable years. [Redacted] had an active withholding account in 2002 and submitted a return showing withholding for their employees, but the actual amount withheld on behalf of the taxpayer for 2002 could not be identified. However, for taxable years 1999

through 2001, the Commission was able to identify the taxpayer's withholding. Therefore, it is reasonable to assume the taxpayer had some withholding in 2002. The average of the withholding percentages for the three previous years was used to estimate withholding for the taxpayer for 2002; the result being an amount withheld equal to or in excess of the amount of tax due.

THEREFORE, the Commission has decided that the Notice of Deficiency Determination dated January 7, 2010, should be CANCELLED.

An explanation of the taxpayer's right to appeal this decision is enclosed.

DATED this _____ day of _____ 2010.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE

I hereby certify that on this _____ day of _____ 2010, 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.
