

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 22112
[Redacted],)	
)	DECISION
Petitioners.)	
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On February 9, 2009, 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 taxable years 2001, 2002, 2003, 2004, 2005, and 2006 in the total amount of \$13,077.

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 2001, 2002, 2003, 2004, 2005, and 2006 individual income tax returns. On December 10, 2008, the TDB sent a letter with a questionnaire to the petitioners notifying them of the missing returns. The petitioners did not respond to this letter. I [Redacted]. The Commission issued an NOD to the petitioners on February 9, 2009, [Redacted].

In the petitioners' protest letter dated April 13, 2009, they stated:

[Redacted]

On April 17, 2009, a protest acknowledgement letter was sent to the petitioners granting additional time until May 18, 2009.

On May 21, 2009, TDB received copies of pay stubs from the petitioners for taxable years 2004 through 2007. Copies of the petitioners' W-2s were requested for taxable years 2001 through 2005. The TDB was able to obtain some of the W-2s for these years which showed more withholding than on the pay stubs provided by the petitioners. The NOD was adjusted for the additional withholding on the W-2s. The petitioners' W-2s for taxable years 2001, 2002, and 2003 that were held by the Commission were no longer available. A copy of the adjusted NOD and copies of the W-2s were sent to the petitioners with a protest withdrawal form, requesting it be signed and returned by June 22, 2009. There was no response to this letter.

On July 6, 2009, the TDB sent the petitioners another letter requesting they either submit additional documentation or returns for taxable years 2001 through 2006 or sign the letter withdrawing their protest.

On September 3, 2009, the tax policy specialist (policy specialist) sent the petitioners a letter to inform them of the alternatives for redetermining a protested NOD. A follow-up letter was sent to the petitioners on October 20, 2009. The petitioners did not respond to either letter.

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 February 9, 2009, 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>
2001	\$852	\$213	\$351	\$1,416
2002	1,371	343	638	2,352
2003	979	245	521	1,745
2004	666	167	234	1,067
2005	1,483	371	433	2,287
2006	966	242	222	<u>1,430</u>
			TOTAL DUE	<u>\$10,297</u>

Interest is computed through March 30, 2011, 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 petitioners' right to appeal this decision is enclosed.

DATED this ____ day of _____ 2011.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE

I hereby certify that on this ____ day of _____ 2011, 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.
