

**BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO**

In the Matter of the Protest of	)	
	)	DOCKET NO. 22578
[Redacted]	)	
	)	DECISION
Petitioner.	)	
_____	)	

On December 2, 2009, the Income Tax Audit Bureau (ITA) of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NOD) to [Redacted] (petitioner) proposing additional income tax, penalty, and interest for taxable year 2006 in the total amount of \$1,133.

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

The petitioner was issued an NOD by the Commission [Redacted]. [Redacted] The ITA, therefore, issued an NOD based on that information and adjusted the petitioner's Idaho return. The Commission finds that the ITA correctly recomputed the petitioner's tax liability [Redacted].

In the petitioner's protest letter received by e-mail on February 3, 2010, she stated:

Per our call, I am sending this to notify you that I am sending further proof of deductions to the IRS and this will appeal the amount said due for tax year 2006. They said upon receiving this they will review and adjust the amount said due for tax year 2006. I ask that due to the appeal and expected adjustment I be given an allowable time for this process to take place before any further determination by the Idaho State Tax Commission.

The ITA sent the petitioners a letter dated February 3, 2010, which stated that since the additional documentation to be provided to resolve the issue was not currently available, the file would be retained in the audit section until February 24, 2010. If the petitioner did not contact the ITA by then, the file would be sent to the legal section for continuation of the appeal process.

On March 31, 2010, the Tax Policy Specialist (policy specialist) sent the petitioner a letter to inform her of the alternatives for redetermining a protested NOD. The petitioner did not respond to this letter.

On January 4, 2011, the petitioner's [Redacted] account transcripts for taxable year 2006 showed the [Redacted] had not abated the additional tax assessed. The transcript also showed that the petitioner made several payments and had her 2009 refund applied to the liability but no other changes.

Idaho Code § 63-3002 states that it is the intent of the Idaho Legislature, insofar as possible, to make the Idaho Income Tax Code identical to the Internal Revenue Code in the way taxable income is determined. Idaho Code § 63-3069 states that, upon a final determination of any deficiency or refund of federal taxes, written notice shall be immediately sent to the State Tax Commission by a taxpayer. IDAPA 35.01.01 Income Tax Administrative Rule 890.03 states that immediate written notification is required within 60 days of the final determination.

From the cited Idaho Code sections and the Administrative Rule, it is apparent the Idaho Legislature intended any changes made to a taxpayer's federal return to be reflected on the

taxpayer's Idaho return. Therefore, it is the Commission's position that the changes made to the taxpayer's federal return must be made to the taxpayer's state return.

The petitioner has the burden of proving the adjustments were incorrect. The petitioner would like the Commission to re-audit [Redacted]. The Commission's position is that the petitioner must be granted relief at the federal level before relief can be granted at the state level. The petitioner has failed to carry the burden in this matter.

Since the petitioner has not provided the Commission with a contrary result [Redacted], the Commission must uphold the deficiency as asserted.

WHEREFORE, the Notice of Deficiency Determination dated December 2, 2009, is hereby APPROVED, AFFIRMED, and MADE FINAL.

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

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2006	\$926	\$46	\$216	\$1,188

Interest is calculated through May 10, 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 petitioner's right to appeal this decision is enclosed.

DATED this \_\_\_\_ day of \_\_\_\_\_ 2011.

IDAHO STATE TAX COMMISSION

\_\_\_\_\_  
COMMISSIONER

**CERTIFICATE OF SERVICE**

I hereby certify that I have on this \_\_\_\_\_ day of \_\_\_\_\_ 2011, served a copy of the within and foregoing DECISION by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[Redacted]

Receipt No.

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