

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)
) DOCKET NO. 22812
[Redacted],)
)
)
) Petitioners.) DECISION
)
_____)

[Redacted] (petitioners) protested the Notice of Deficiency Determination (NODD) issued by the staff of the Idaho State Tax Commission (Commission) dated March 25, 2010, asserting additional Idaho income tax for taxable year 2005 in the total amount of \$10,935.

The issue in this docket is the taxable gain on the sale of real property. The Commission received a Form 1099-S showing that petitioners had sold real property on March 17, 2005, for the amount of \$117,000. Petitioners had not filed an income tax return for taxable year 2005. The Commission issued a NODD treating the full \$117,000 as taxable income.

Petitioners responded to the Commission and began providing information. Eventually petitioners were able to provide documentation showing the amounts and dates relating to their purchase and sale of the real property.

The amount of tax due was recomputed based on the purchase and sales documents. The documents showed that petitioners held the property for more than 12 months, thus also qualifying them for the 60 percent Idaho capital gains deduction provided in Idaho code section 63-3022H.

CONCLUSION

WHEREFORE, the NODD dated March 25, 2010, is hereby MODIFIED and, as so MODIFIED, is APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the taxpayer pay the following tax, penalty, and interest (computed to May 3, 2011):

<u>YEAR</u>	<u>TAX</u>	<u>INTEREST</u>	<u>PENALTY</u>	<u>TOTAL</u>
2005	\$113	\$34	\$28	\$175

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

An explanation of the taxpayers' 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.