

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 23069
[Redacted],)	
)	
Petitioner.)	DECISION
_____)	

On April 29, 2010 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 years 2001 through 2008 in the total amount of \$20,065.

The taxpayer protested the determination and subsequently submitted Idaho Individual income tax returns for all taxable years except 2001. The returns were accepted as filed, and the NODD was cancelled for those years. Taxable years 2002 through 2008 will not be addressed further in this decision. No information was submitted for taxable year 2001. The Commission, having reviewed the file, hereby issues its decision regarding taxable year 2001. The taxpayer failed to file her 2001 individual income tax return. Because Commission records showed the taxpayer met the state income tax filing requirements and she had not filed her Idaho return for taxable year 2001, the Bureau attempted to contact her for clarification. The taxpayer did not respond.

The Bureau requested and received a [Redacted]. The information was provided in accordance with Internal Revenue Code § 6103(d) and Idaho Code § 63-3077.

Idaho Code § 63-3045 (1)(a) states:

63-3045. Notice of redetermination or deficiency -- Interest. (1) (a) If, in the case of any taxpayer, the state tax commission determines that there is a deficiency in respect of the tax imposed by this title, the state tax commission shall, immediately upon discovery thereof, send notice of such deficiency to the

taxpayer by registered or certified mail or by other commercial delivery service providing proof of delivery, whichever is the most cost efficient. The notice shall be sent to the taxpayer's last address known to the state tax commission. The notice of deficiency shall be accompanied by an explanation of the specific reason for the determination and an explanation of the taxpayer's right to appeal. Within sixty-three (63) days after such notice is mailed, the taxpayer may, at his option, file a protest in writing with the state tax commission and obtain redetermination of the deficiency.

The Bureau prepared the missing Idaho returns on behalf of the taxpayer and sent her an NODD. The taxpayer appealed the NODD and included with her appeal letter income tax returns for taxable years 2002 through 2004. Income tax returns for taxable years 2005 through 2008 were submitted shortly thereafter, but no return has been submitted for taxable year 2001. The Bureau sent the taxpayer a letter again requesting the taxpayer submit a return for taxable year 2001 but when the return did not arrive, the file was transferred to the Legal/Tax Policy Division for administrative review.

The taxpayer did not respond to a letter from the tax policy specialist wherein she was advised of her rights to appeal. Therefore, the Commission decided the matter based upon the information available.

The information [Redacted] shows the taxpayer had income in excess of the filing requirement. The Commission issued an NODD to the taxpayer on April 29, 2010, based on the income information obtained [Redacted].

The Idaho individual income tax return the Bureau prepared on behalf of the taxpayer was based on income information gleaned from the taxpayer's [Redacted] records retained by the Commission. The taxpayer's withholding of \$263 was allowed to offset a portion of the Idaho income tax due. The penalty and interest additions were calculated in conformity with Idaho Code §§ 63-3045 and 63-3046.

A Notice of Deficiency Determination issued by the Idaho State Tax Commission is presumed to be accurate. Parsons v. Idaho State Tax Comm'n, 110 Idaho 572 (Ct. App. 1986). The burden is on the taxpayer to show that the tax deficiency is erroneous. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

The taxpayer has provided nothing that would dissuade the Commission from accepting the Bureau's determination of Idaho income and Idaho income tax for taxable year 2001.

WHEREFORE, the Notice of Deficiency Determination dated April 29, 2010, is hereby MODIFIED, APPROVED, and MADE FINAL.

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

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2001	\$348	\$87	\$187	\$542

Interest is computed through June 1, 2011.

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

An explanation of the taxpayer'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 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.
