

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 23088
[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 year 2006 in the total amount of \$3,288.

On July 1, 2010, the taxpayer filed a timely protest. She did not request a hearing. The Commission, having reviewed the file, hereby issues its decision based upon the information contained in the file.

Commission records show the taxpayer is an Idaho resident who appears to meet the Idaho individual income tax filing requirements. The Bureau attempted to contact the taxpayer for an explanation of why her 2006 Idaho return had not been filed, but she did not respond to the inquiry.

[Redacted] Idaho Code § 63-3045(1)(a) states in part:

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 return on behalf of the taxpayer and sent her an NODD. [Redacted]

The taxpayer protested the Bureau's determination. In her protest letter, the taxpayer stated that she owned a business during 2006 which suffered a loss and, therefore, the tax amount shown on the NODD should be less. The taxpayer also stated that she believed she had filed an Idaho income tax return for taxable year 2006 and would provide a copy from her accountant if in fact the Commission could not locate her return. The timely protest was acknowledged by the Bureau, and a date of July 30, 2010, was given to the taxpayer for submission of her return. Numerous additional requests for the return were made by the Bureau, but to date, no return has been received.

When the taxpayer did not deliver the return to the Commission after the allowed time, her file was transferred to the Legal/Tax Policy Division for administrative review. The taxpayer did not respond to a letter advising her of her appeal rights.

The Idaho resident individual income tax return the Bureau prepared on behalf of the taxpayer was based on income information gleaned from the taxpayer's [Redacted] income records and records retained by the Commission. The taxpayer filed a [Redacted] income tax return for taxable year 2006 and her business loss was accounted for. This loss reduced her [Redacted] adjusted gross income, the starting amount for which to calculate an Idaho income tax liability. No withholding was identified by the Bureau. The interest and penalty added by the Bureau pursuant to Idaho Code §§ 63-3045 and 63-3046 was reviewed and found to be proper and in accordance with Idaho Code.

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

Dept. of Revenue, 106 Idaho 810 (1984).

The taxpayer failed to file her 2006 Idaho individual income tax return. Absent information to the contrary, the Commission accepts the Bureau's calculation of Idaho income tax, penalty, and interest for that year.

THEREFORE, the NODD dated April 29, 2010, and directed to [Redacted] is hereby AFFIRMED.

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>
2006	\$2,275	\$569	\$604	\$3,448
			Payment Rec'd	<u>(1,012)</u>
			TOTAL DUE	<u>\$2,436</u>

Interest is calculated through February 20, 2012.

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.
