

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

In the Matter of the Protest of )  
[Redacted], ) DOCKET NO. 23295 & 23412  
 )  
 )  
Petitioners. ) DECISION  
 )  
\_\_\_\_\_ )

PROCEDURAL AND FACTUAL BACKGROUND

This is an individual income tax case. [Redacted] failed to file individual income tax returns for taxable years 1998 through 2006. A decision in Docket No. 21516 was issued August 18, 2009, for taxable year 1998 through 2006 resulting in a tax liability for each of those years. Thereafter, [Redacted], husband and wife, (petitioners) filed signed income tax returns for taxable years 2005 through 2008.

The signed returns for taxable years 2005 through 2008 were received by the Tax Commission on July 29, 2010. The petitioners did not provide payment for the amount owed on the returns filed. Liens placed on the petitioners' property stemming from Docket No. 21516 are outstanding for taxable years 2005 and 2006 and were not changed by the 2005 and 2006 filings. The Tax Commission filed liens for taxable years 2007 and 2008 for the amounts not paid and shown on the filed returns.

The signed and filed returns were reviewed, and it was determined that amounts were owed over and above the tax shown to be owed on the filed returns for taxable years 2005 through 2008. This additional tax owed for years 2005, 2006, and 2007 was due to [Redacted] income not being included on the returns. The additional tax owed for taxable year 2008 was due to an incorrect standard deduction that was used to calculate the amount of taxes owed. Notices of Deficiency Determination (NODD) were issued on August 16, 2010, for years

2007 and 2008 for the amount over and above the amount on the filed returns. NODDs were also issued on September 24, 2010, for taxable years 2005 and 2006 for the amount over and above the amount on the filed returns.

The petitioners protested the NODDs, and the cases were transferred to the Legal/Tax Policy Division. A hearing rights letter was mailed on January 18, 2011. The petitioners responded on February 3, 2011, with tax protestor arguments.

#### ANALYSIS

The petitioners' responses are tax protestor arguments. Tax protestor arguments were also presented in the previous decision in Docket No. 21516 for taxable years 1998 through 2006. The petitioners are residents of Idaho. They continue to present incorrect arguments similar to those raised by tax protestors. The petitioners have presented no evidence contrary to the income information resulting in the additional tax liabilities. The Tax Commission, relying on the reasoning in the previous Docket No. 21516 upholds the NODDs.

#### CONCLUSION

It is well settled in Idaho that a Notice of Deficiency Determination issued by the Idaho State Tax Commission is presumed to be correct. Albertson's Inc. v. State, Dept. of Revenue, 106 Idaho 810, 814 (1984); Parsons v. Idaho State Tax Commission, 110 Idaho 572, 574-575 n.2 (Ct. App. 1986). The burden is on the petitioner to show that the tax deficiency is erroneous. Id. Since the petitioners have failed to meet this burden, the Tax Commission finds that the amounts shown due on the NODDs are true and correct.

The Tax Commission added interest, which will continue to accrue pending payment of the tax liability pursuant to Idaho Code § 63-3045(6), and penalty to the petitioners' tax

deficiency. The Tax Commission finds those additions appropriate as provided for in Idaho Code §§ 63-3045 and 63-3046.

THEREFORE, the NODDs dated August 16, 2011, and September 24, 2011, and directed to [Redacted] are AFFIRMED.

IT IS ORDERED that the petitioners pay the following amount of tax, penalty, and interest.

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2005	\$108	\$ 27	\$ 34	\$ 169
2006	243	61	66	370
2007	546	137	98	781
2008	48	12	6	<u>66</u>
			Total Due:	<u>\$1,386</u>

Interest is calculated through October 14, 2011.

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.  
  
\_\_\_\_\_