

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 23786
[Redacted],)	
)	
Petitioners.)	DECISION
_____)	

On December 14, 2010, the staff of the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NODD) to [Redacted] (taxpayers) proposing income tax, penalty, and interest for taxable years 2007 and 2008 in the total amount of \$7,697.

A timely protest and petition for redetermination was filed by the taxpayers. An informal hearing has not been requested. The Commission has reviewed the file, is advised of its contents, and hereby issues its decision affirming the NODD.

Commission records show the taxpayers are Idaho residents who appear to meet the Idaho individual income tax filing requirements. When the Bureau could not find any record of the taxpayers' 2007 and 2008 Idaho individual income tax returns, the taxpayers were sent a letter advising them of the missing returns and asking them for an explanation. The taxpayers did not respond.

Because the taxpayers did not file their state income tax returns, the Bureau prepared provisional returns and issued an NODD. The NODD was based on information obtained from [Redacted] and those records retained by the Commission. The taxpayers protested the Bureau's determination.

The taxpayers' submitted a timely protest on February 14, 2011. In their letter, the taxpayers stated that they planned on filing returns for taxable years 2007 and 2008 and these returns would show a smaller tax liability than that shown on the NODD prepared by the Bureau.

The Bureau acknowledged the taxpayers protest and gave them a March 17, 2011, due date in which to submit returns. Additional extensions of time, four months total, were granted by the Bureau, but to date, returns have not been received.

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

The Commission, believing the taxpayers have had more than an adequate amount of time to prepare their returns, hereby issues its decision based on the information presently in the file.

The Idaho resident individual income tax returns the Bureau prepared on behalf of the taxpayers were based on income information gleaned from the taxpayers' [Redacted] records and the records retained by the Commission. The filing status of Married, filing joint, was used to determine the taxpayers' Idaho income tax responsibility. No withholding was identified for taxable year 2007 or 2008. 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 taxpayers to show the deficiency is erroneous. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

The taxpayers failed to file their 2007 and 2008 Idaho individual income tax returns. Having presented no information in support of their argument, the taxpayers have failed to meet their burden of proving error on the part of the deficiency determination. Absent information to the contrary, the Commission accepts the Bureau's calculation of Idaho income tax, penalty, and interest for taxable years 2007 and 2008.

THEREFORE, the Notice of Deficiency Determination dated December 14, 2010, and directed to [Redacted], is hereby AFFIRMED.

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

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2007	\$1,850	\$463	\$351	\$2,664
2008	3,802	951	478	<u>5,231</u>
			TOTAL DUE	<u>\$7,895</u>

Interest is calculated through December 30, 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.
