

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 23696
[Redacted])	
)	
Petitioners.)	DECISION
_____)	

[Redacted] (taxpayers) protest the Notice of Deficiency Determination (NODD) dated November 5, 2010, asserting additional tax, penalty, and interest totaling \$37,353 for taxable years 2005 through 2007. A timely appeal was filed, and the taxpayers did not request a hearing.

The taxpayers were issued an NODD by the Idaho State Tax Commission (Commission) pursuant to an [Redacted] redetermination of the taxpayers' income. The Commission finds that the auditor correctly recomputed the taxpayers' tax liability pursuant to the Internal Revenue Service redetermination.

Idaho Code § 63-3002 stated:

Declaration of intent. -- It is the intent of the legislature by the adoption of this act, insofar as possible to make the provisions of the Idaho act identical to the provisions of the Federal Internal Revenue Code relating to the measurement of taxable income, to the end that the taxable income reported each taxable year by a taxpayer to the internal revenue service shall be the identical sum reported to this state, subject only to modifications contained in the Idaho law; to achieve this result by the application of the various provisions of the Federal Internal Revenue Code relating to the definition of income, exceptions therefrom, deductions (personal and otherwise), accounting methods, taxation of trusts, estates, partnerships and corporations, basis and other pertinent provisions to gross income as defined therein, resulting in an amount called "taxable income" in the Internal Revenue Code, and then to impose the provisions of this act thereon to derive a sum called "Idaho taxable income"; to impose a tax on residents of this state measured by Idaho taxable income wherever derived and on the Idaho taxable income of nonresidents which is the result of activity within or derived from sources within this state.

The taxpayers have not provided the Commission with a contrary result to [Redacted] redetermination; therefore, the Commission must uphold the deficiency as asserted.

THEREFORE, the NODD dated November 5, 2010, is hereby APPROVED and MADE FINAL.

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

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2005	\$11,568	\$1,735	\$4,102	\$17,405
2006	8,849	1,327	2,583	12,759
2007	6,646	997	1,475	<u>9,118</u>
			TOTAL DUE	<u>\$39,282</u>

Interest is calculated through October 19, 2012.

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 _____ 2012.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE

I hereby certify that on this _____ day of _____ 2012, 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.
