

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 23758
[Redacted],)	
)	
Petitioners.)	DECISION
_____)	

On December 14, 2010, 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 2005, 2006, and 2008 in the total amount of \$779.

The taxpayers protested the determination but did not request a hearing or provide any additional information for the Commission’s consideration. The Commission, having reviewed the file, hereby issues its decision regarding the aforementioned years.

The taxpayers failed to file their 2005, 2006, and 2008 Idaho individual income tax returns. Because Commission records showed the taxpayers met the state income tax filing requirements and they had not filed their Idaho income tax returns for the previously mentioned years, the Bureau attempted to contact them for clarification. The taxpayers did not respond.

The Bureau requested and received a transcript of the taxpayers’ [Redacted] income records from [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:

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 taxpayers and sent them an NODD. The taxpayers appealed the NODD and requested additional time in which to complete the returns. Additional time was granted by the Bureau, but when returns were not received, the file was transferred to the Legal/Tax Policy Division for administrative review.

The taxpayers did not respond to a letter from the tax policy specialist wherein they were advised of their rights regarding their appeal. A follow-up letter sent by the tax policy specialist also went unanswered. Therefore, the Commission decided the matter based upon the information available.

The information obtained from [Redacted] along with Commission records show the taxpayers had income in excess of the filing requirement. The Commission issued an NODD to the taxpayers on December 14, 2010, based on the income information obtained from [Redacted] and that found in Commission records.

The Idaho individual income tax returns the Bureau prepared on behalf of the taxpayers were based on income information gleaned from the taxpayers' [Redacted] income records and the records retained by the Commission. The taxpayers' withholding of \$70, \$129, and \$947 for taxable years 2005, 2006, and 2008, respectively, was identified and allowed to offset a portion of the Idaho income tax due for those years. The penalty and interest additions were calculated in conformity with Idaho Code §§ 63-3045 and 63-3046.

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

The taxpayers have provided nothing that would dissuade the Commission from accepting the Bureau's determination of Idaho income and Idaho income tax for taxable years 2005, 2006, and 2008.

THEREFORE, the NODD dated December 14, 2010, and directed to [Redacted], is hereby AFFIRMED and MADE FINAL.

IT IS ORDERED 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>
2005	\$203	\$51	\$70	\$324
2006	209	52	59	320
2008	119	30	17	<u>166</u>
			TOTAL DUE	<u>\$810</u>

Interest is computed through July 10, 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.

Receipt No.

