

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 23982
[Redacted],)	
)	
Petitioner.)	DECISION
_____)	

On February 15, 2011, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NODD) to [Redacted] (taxpayer) proposing additional income tax, penalty, and interest for taxable year 2006 in the total amount of \$737.

On February 22, 2011, the taxpayer filed a timely appeal and petition for redetermination. The taxpayer did not request a hearing but did provide additional information for the Commission to consider. The Commission, having reviewed the file, hereby issues its decision.

The Tax Discovery Bureau (Bureau) received information from [Redacted] that the taxpayer omitted income on his [Redacted] income tax return for taxable year 2006. The [Redacted] determined the income should have been reported on the taxpayer's [Redacted] income tax return and corrected the taxpayer's [Redacted] return. The additional income was from a taxable distribution from pension/annuity, interest, and dividends.

The Bureau reviewed the changes [Redacted] made and determined the taxpayer's Idaho income tax return should be corrected as well. The Bureau adjusted the taxpayer's 2006 Idaho income tax return and sent him an NODD. The taxpayer appealed the Bureau's determination.

The taxpayer stated in his protest that he did not believe the additional amount of proposed tax due was correct. He further stated that he was currently out-of-town but would

locate the necessary paperwork concerning his IRA distribution as soon as he returned to Idaho. The taxpayer included a payment of \$730.91 with his appeal letter.

The Bureau referred the matter for administrative review, and the taxpayer, through his accountant, provided additional documentation for the Commission's consideration. The Commission reviewed the additional information provided by the taxpayer along with the latest information from [Redacted] which showed a portion of the additional tax assessed during the audit had been abated.

Idaho Code section 63-3002 states that it is the intent of the Idaho legislature, insofar as possible, to make the Idaho Income Tax Code identical to the Internal Revenue Code in the way taxable income is determined. Idaho Code section 63-3069 states that upon a final determination of any deficiency or refund of federal taxes, written notice shall be immediately sent to the State Tax Commission by the taxpayer. IDAPA 35.01.01 Income Tax Administrative Rule 890.03 states that immediate written notification is required within 60 days of the final determination.

From the cited Idaho Code sections and the Administrative Rule, it is apparent the Idaho legislature intended any changes made to a taxpayer's [Redacted] return be reflected on the taxpayer's Idaho return. Therefore, it is the Commission's position that changes made to the taxpayer's [Redacted] return must be made to the taxpayer's state return.

The NODD dated February 15, 2011, is hereby MODIFIED and, as so MODIFIED, is AFFIRMED and MADE FINAL.

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2006	\$95	\$10	\$22	\$128
			Amount Paid	(731)
			Refund Due	<u>\$603</u>

Interest is calculated through February 22, 2011.

An explanation of the taxpayer's 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.
