

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

In the Matter of the Protest of	)	
	)	DOCKET NO. 24871
[Redacted],	)	
	)	
Petitioner.	)	DECISION
_____	)	

On October 14, 2011, the Idaho State Tax Commission’s (Commission) Income Tax Audit Bureau (ITA) issued a Notice of Deficiency Determination (NODD) to [Redacted] (taxpayer) proposing additional income tax, penalty, and interest for taxable year 2008 in the total amount of \$1,019. The taxpayer filed a timely petition for redetermination. The taxpayer did not request an informal conference. He also did not supply additional documentation to support his position. Therefore, the Commission now renders their determination based upon the information in the file.

In April 2011, the ITA notified the taxpayer that his 2008 Idaho individual income tax return had been selected for audit. More specifically, the ITA notified the taxpayer that the ITA would be reviewing 1) Idaho credit for taxes paid to other states; 2) the expenses claimed on [Redacted] Schedule A for personal property tax expense and 3) the expenses claimed on [Redacted] Schedule A for unreimbursed employee expenses.

The ITA made several requests for documentation to support the allowance of the deductions mentioned above, and the taxpayer eventually provided the ITA with a significant amount of information. However, the information provided was either unreadable, could not be understood or followed, or it was not relevant to the issues in question.

The law is well established that the taxpayer has the burden of proof with regard to the allowance of deductions:

Whether and to what extent deductions shall be allowed depends upon legislative grace; and only as there is clear provision therefor can any particular deduction be allowed.

\* \* \*

Obviously, therefore, a taxpayer seeking a deduction must be able to point to an applicable statute and show that he comes within its terms.

New Colonial Ice Co. Inc. v. Helvering, 292 U.S. 435, 440, 54 S.Ct. 788, 790 (1934).

The ITA, unsuccessful in its attempts to obtain additional information, forwarded the taxpayer's petition for redetermination to the Commission's Legal and Tax Policy Division for resolution. On April 24, 2012, the taxpayer was sent a letter informing him of his appeal rights. The taxpayer did not respond to the letter and, as of the date of this decision, has not provided any additional documentation to substantiate the disallowed expenses.

With regard to several of the issues, the taxpayer may have been entitled to some benefit had he presented documentation to support his position. Having presented no additional information in support of his argument, the taxpayer has failed to meet his burden of proving error on the part of the deficiency determination. Albertson's, Inc. v. State Dept. of Revenue, 106 Idaho 810, 814, (1984); Parsons v. Idaho State Tax Comm'n, 110 Idaho 572, 574 (Ct. App. 1986). Since the taxpayer has not met this burden of proof of showing that the NODD is incorrect, the Commission upholds the ITA's determination for taxable year 2008.

THEREFORE, the NODD dated October 14, 2011, and directed to [Redacted], is hereby AFFIRMED and MADE FINAL.

IT IS ORDERED that the taxpayer pay the following tax and interest:

<u>YEAR</u>	<u>TAX</u>	<u>INTEREST</u>	<u>TOTAL</u>
2008	\$906	\$141	\$1,047

Interest is calculated through October 1, 2012, and will continue to accrue at the rate set forth in Idaho Code section 63-3045.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

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.  
  
\_\_\_\_\_