

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 25016
[Redacted],)	
)	
Petitioner.)	DECISION
_____)	

[Redacted] (taxpayer) protests the Notice of Deficiency Determination (NODD) dated April 11, 2012, asserting additional tax, penalty, and interest totaling \$1,276 for taxable year 2009. A timely appeal was filed, and the taxpayer did not request a hearing.

The Tax Commission has reviewed the file, is advised of its contents, and hereby issues its decision based thereon.

Idaho Code § 63-3002 provides:

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; . . .

The intent of the Idaho Legislature is to follow the [Redacted] determination of income subject only to modifications contained in Idaho law. Pursuant to the authority of Internal Revenue Code § 6103(d), the Tax Commission obtained the results of [Redacted] audit of the taxpayer's 2009 [Redacted] income tax return.

The [Redacted] audit changed the taxpayer's filing status from Head of Household to Single and changed the number of personal exemptions allowed from five to one. The changes resulted in an increase to the amount of taxable income reported to Idaho. The taxpayer failed to notify Idaho of the [Redacted] determination within the 60-day period required by Idaho Code § 63-3069.

The Bureau issued an NODD to the taxpayer advising him of additional Idaho income tax, penalty, and interest due as a result of the increase to his taxable income.

The taxpayer submitted an amended Idaho individual income tax return, indicating by checking a box that the reason was due to a [Redacted] audit. However, the amended return was identical to the original return, showing a filing status of head of household and claiming a total of five exemptions.

The Bureau considered the taxpayer's amended return a request for redetermination, sent him a letter acknowledging his protest, and informing him that his file was being forwarded to the Legal/Tax policy Division for continuation of the appeals process.

A letter was sent by the tax policy specialist that advised the taxpayer of his right to request a hearing or send additional information; however, the taxpayer did not respond.

From the cited Idaho Code sections, it is apparent the Idaho legislature intended any changes made to the taxpayer's [Redacted] return to be reflected on the taxpayer's Idaho return. Therefore, it is the Commission's position that the changes made to the taxpayer's [Redacted] return must be made to the taxpayer's state return and that the taxpayer must be granted relief at the [Redacted] level before relief can be granted at the state level.

Since the taxpayer has not provided the Commission with a contrary result to [Redacted] original redetermination, the Commission must uphold the deficiency as asserted.

THEREFORE, the NODD dated April 11, 2012, and directed to [Redacted], is APPROVED and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the taxpayer pay the following additional tax, penalty, and interest for taxable year 2009:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2009	\$1,114	\$56	\$125	\$1,295

Interest has been calculated through November 26, 2012.

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.
