

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

In the Matter of the Protest of	)	
	)	DOCKET NO. 25061
[Redacted],	)	
	)	
Petitioners.	)	DECISION
_____	)	

On November 28, 2011, the staff of the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NODD) to [Redacted](taxpayers) proposing additional income tax, penalty, and interest for the taxable year 2008 in the total amount of \$2,218.

On January 26, 2012, the taxpayers filed a timely appeal and petition for redetermination. The taxpayers did not respond to the Commission's hearing rights letter and have provided nothing further for the Commission to consider. The Commission, having reviewed the file, hereby issues its decision.

[Redacted]

The Bureau reviewed the changes [Redacted] made and determined the taxpayers' Idaho income tax return should be corrected as well. The Bureau adjusted the taxpayers' 2008 Idaho income tax return and sent them an NODD. The taxpayers appealed the Bureau's determination.

The protest letter, sent by the taxpayers' did not give a specific reason why the NODD was wrong, just that the tax computations were incorrect.

The Bureau requested additional information [Redacted] to confirm the changes to the taxpayers' [Redacted] income tax return. [Redacted]The Bureau referred the matter for administrative review, and the Commission sent the taxpayers a letter that explained the methods

available for redetermining a protested NODD. The taxpayers did not respond. Therefore, the Commission decided the matter based upon the information available.

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 immediately be sent to the State Tax Commission by the taxpayer. IDAPA 35.01.01.890.03 Income Tax Administrative Rule 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 taxpayers' [Redacted] return be reflected on the taxpayers' Idaho return. Therefore, it is the Commission's position that the changes made to the taxpayers' [Redacted] return must be made to the taxpayers' state return.

The taxpayers' have not provided the Commission with a contrary result to [Redacted] original redetermination. The taxpayers must be granted relief at [Redacted] level before relief can be granted at the state level. Therefore, the Commission must uphold the Bureau's adjustment to the taxpayers' 2008 Idaho income tax return.

The Bureau added interest and penalty to the taxpayers' tax deficiency. The Commission reviewed those additions and found them appropriate and in accordance with Idaho Code sections 63-3045 and 63-3046, respectively.

THEREFORE, the NODD dated November 28, 2011, is hereby APPROVED, AFFIRMED, and MADE FINAL.

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2008	\$1,881	\$94	\$316	\$2,291

Interest is calculated through January 30, 2013.

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

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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.

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