

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)
)
[Redacted],) DOCKET NO. 24772
)
)
Petitioner.) DECISION
)
_____)

[Redacted] (Petitioner) protested the Notice of Deficiency Determination dated September 12, 2011, asserting income tax, penalty, and interest in the total amount of \$5,935 for taxable years 1999 through 2002. Petitioner disagreed that no tax was paid for the identified years. Petitioner provided copies of his 2001 and 2002 W-2 wage and tax statements to document his withholdings for those taxable years. The Tax Commission, having reviewed the file, hereby issues its decision.

BACKGROUND

The Tax Discovery Bureau (Bureau) received information that indicated Petitioner was required to file Idaho individual income tax returns. The Bureau searched the Tax Commission's records and found that Petitioner did not file Idaho income tax returns for taxable years 1999 through 2002. The Bureau sent Petitioner a letter asking about his requirement to file Idaho income tax returns. Petitioner contacted the Bureau and asked for the income information the Bureau was relying on and forms and instructions for each of the years. The Bureau provided Petitioner with the requested items and waited for Petitioner to complete and submit his income tax returns. The Bureau sent Petitioner reminder letters, but no income tax returns were provided.

The Bureau obtained additional information from the Internal Revenue Service and determined Petitioner was required to file Idaho income tax returns. The Bureau prepared

income tax returns for Petitioner based upon the information available and sent him a Notice of Deficiency Determination.

Petitioner protested the Bureau's determination stating he did pay taxes to Idaho in those years. Petitioner provided copies of his W-2 wage and tax statements for 2001 and 2002, and a copy of his marriage certificate. The Bureau incorporated Petitioner's W-2 information into its determination and sent Petitioner a modified audit report. Petitioner did not respond, so the Bureau referred the matter for administrative review.

The Tax Commission reviewed the matter and sent Petitioner a letter that discussed the methods available for redetermining a protested Notice of Deficiency Determination. Petitioner did not respond. Therefore, the Tax Commission decided the matter based upon the information available.

LAW AND ANALYSIS

Idaho Code section 63-3030 states that all resident individuals are required to file a return of income if they meet the filing threshold stated in Internal Revenue Code section 6012(a)(1). From the information available, Petitioner's income exceeded that amount each year.

Petitioner did not contest his requirement to file Idaho individual income tax returns. On the contrary, Petitioner seemed to acknowledge his requirement and implied he would submit income tax returns. However, Petitioner failed to provide any of the income tax returns in question.

In Idaho, a State Tax Commission deficiency determination is presumed to be correct, and the burden is on the taxpayer to show that the deficiency is erroneous. Parsons v. Idaho State Tax Commission, 110 Idaho 572, 574-575 n.2, 716 P.2d 1344, 1346-1347 n.2 (Ct. App. 1986). Petitioner partially met this burden by providing copies of his 2001 and 2002 W-2 wage

and tax statements. As a result, the Bureau modified its original determination to include Petitioner's withholding information. Petitioner also provided a copy of a marriage certificate showing he was married to one [Redacted] in 1998. If Petitioner provided this documentation to prove his filing status of married, the Tax Commission is not persuaded. Other information available to the Tax Commission shows Petitioner also was married in 2003; however, he was not married to [Redacted]. Consequently, not knowing the specifics of Petitioner's marital status, the Tax Commission is not inclined to change Petitioner's filing status from that determined by the Bureau.

The Tax Commission reviewed the returns the Bureau prepared for Petitioner and found them to be an accurate representation of Petitioner's Idaho taxable income based upon the information available.

CONCLUSION

Petitioner's reported income exceeded the filing requirement threshold. Petitioner was required to file Idaho individual income tax returns. Petitioner did not provide the returns in question but did provide additional information pertinent to his Idaho tax liability. Therefore, the Tax Commission upholds the Bureau's modified determination for taxable years 1999 through 2002.

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

THEREFORE, the Notice of Deficiency Determination dated September 12, 2011, and directed to [Redacted] is **AFFIRMED AS MODIFIED** by this decision.

IT IS ORDERED that Petitioner pay the following tax, penalty, and interest:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
1999	\$280	\$ 70	\$215	\$ 565
2000	829	207	570	1,606
2001	434	109	265	808
2002	674	169	368	<u>1,211</u>
			TOTAL DUE	<u>\$ 4,190</u>

DEMAND for immediate payment of the foregoing amount is hereby made and given. An explanation of the Petitioner's right to appeal this decision is enclosed.

DATED this _____ day of _____ 2013.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE

I hereby certify that on this _____ day of _____ 2013, 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.
