

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 25511
[Redacted],)	
)	
Petitioners.)	DECISION
_____)	

On July 18, 2012, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NODD) to [Redacted] (taxpayers) proposing income tax, penalty, and interest for taxable years 2005 through 2007, and taxable years 2009 and 2010, in the total amount of \$7,580.

The taxpayers protested the determination. They did not request a hearing or submit additional information. The Commission, having reviewed the file, hereby issues its decision based on information contained in the file.

The taxpayers failed to file their 2005 through 2007, 2009, and 2010 Idaho individual income tax returns. Because Commission records showed the taxpayers met the state income tax filing requirements, and had not filed their Idaho returns for the previously mentioned years, the Bureau attempted to contact them for clarification. The taxpayers did not respond.

The Bureau requested and received a transcript of the taxpayers' [Redacted] income records from the [Redacted] The information was provided in accordance with Internal Revenue Code § 6103(d) and Idaho Code § 63-3077.

Idaho Code § 63-3045 (1)(a) states:

Notice of redetermination or deficiency -- Interest. (1) (a) If, in the case of any taxpayer, the state tax commission determines that there is a deficiency in respect of the tax imposed by this title, the state tax commission shall, immediately upon discovery thereof, send notice of such deficiency to the taxpayer by first class mail or by other commercial delivery service providing proof of delivery, whichever is the most cost efficient. The notice shall be sent to

the taxpayer's last address known to the state tax commission. The notice of deficiency shall be accompanied by an explanation of the specific reason for the determination and an explanation of the taxpayer's right to appeal. Within sixty-three (63) days after such notice is mailed, the taxpayer may, at his option, file a protest in writing with the state tax commission and obtain redetermination of the deficiency.

The Bureau prepared the missing Idaho returns on behalf of the taxpayer, and sent them an NODD. The taxpayers appealed the NODD, and requested additional time in which to complete the returns. Numerous extensions of time were granted by the Bureau, but when returns were not received, the file was transferred to the Legal/Tax Policy Division for administrative review.

The taxpayers did not respond to a letter from the tax policy specialist wherein they were advised of their rights regarding their appeal, and to date, have not submitted returns for the taxable years shown on the NODD. The Commission, believing the taxpayers have had more than adequate time in which to prepare and submit their returns, hereby issues its decision based upon the information available.

The Idaho individual income tax returns the Bureau prepared on behalf of the taxpayers were based on income information gleaned from the taxpayers' [Redacted] income records and the records retained by the Commission. For taxable years 2005 and 2007, the Bureau used the same filing status and personal exemptions, as shown in [Redacted] records. The taxpayers' withholding of \$112, \$300, \$1,361, and \$517 respectively for taxable years 2006, 2007, 2009, and 2010, was identified, and allowed to offset a portion of the Idaho income tax due for that year. The penalty and interest additions were calculated in conformity with Idaho Code §§ 63-3045 and 63-3046.

A Notice of Deficiency Determination issued by the Idaho State Tax Commission is presumed to be accurate. Parsons v. Idaho State Tax Comm'n, 110 Idaho 572 (Ct. App. 1986).

The burden is on the taxpayer to show that the tax deficiency is erroneous. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

The taxpayers have provided nothing that would dissuade the Commission from accepting the Bureau's determination of Idaho income and Idaho income tax for taxable years 2005 through 2007, and taxable years 2009 and 2010.

THEREFORE, the Notice of Deficiency Determination dated July 18, 2012, is hereby APPROVED, and MADE FINAL.

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

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2005	\$747	\$187	\$286	\$1,220
2006	1,167	292	374	1,833
2007	975	244	244	1,463
2009	1,832	458	250	2,540
2010	513	128	46	<u>687</u>
			TOTAL DUE	<u>\$7,743</u>

Interest is computed through September 6, 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 _____ 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.
