

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

In the Matter of the Protest of )  
 ) DOCKET NO. 25419  
[Redacted], )  
 )  
 )  
Petitioner. ) DECISION  
 )  
\_\_\_\_\_ )

[Redacted] (Petitioner) protested the Notice of Deficiency Determination dated July 9, 2012, issued by the Tax Discovery Bureau of the Idaho State Tax Commission proposing income tax, penalty, and interest for taxable years 2008, 2009, and 2010, in the total amount of \$4,732. Petitioner did not dispute that she was required to file income tax returns; she needed additional time to gather her documentation to prepare and file her own returns. The Tax Commission reviewed the matter and hereby issues its decision.

**BACKGROUND**

In a review of the information the Tax Commission receives from various sources, the Tax Discovery Bureau (Bureau) found that Petitioner received W-2 wages and 1099 income for taxable years 2008 through 2010. The Bureau researched the Tax Commission’s records further and found Petitioner had not filed Idaho individual income tax returns for those years. The Bureau sent Petitioner a letter asking about her requirement to file Idaho income tax returns. Petitioners did not respond. The Bureau obtained additional information from the [Redacted] and determined Petitioner was required to file Idaho income tax returns for taxable years 2008 through 2010. The Bureau prepared returns for Petitioner and sent her a Notice of Deficiency Determination.

Petitioner protested the Bureau’s determination stating she needed additional time to gather her documentation, and to take care of some medical issues. The Bureau allowed

Petitioner more time than she requested; nevertheless, no returns or additional information was received. The Bureau sent a follow-up letter to Petitioner, but again received no response. Therefore, the Bureau referred the matter for administrative review.

The Tax Commission reviewed the case and sent Petitioner a letter that discussed the methods available for redetermining a protested Notice of Deficiency Determination. Petitioner failed to respond, so the Tax Commission sent a follow-up letter to Petitioner. Petitioner still did not respond; therefore, the Tax Commission decided the matter based upon the information available.

### **LAW AND ANALYSIS**

Idaho Code section 63-3030 provides the income thresholds for filing Idaho individual income tax returns. The information gathered by the Bureau clearly shows Petitioner received wages and 1099 income in each of the years that exceeded the income threshold for filing income tax returns. Therefore, Petitioner was required to file Idaho individual income tax returns.

Petitioner did not deny she had a requirement to file Idaho income tax returns. Petitioner stated she would gather her documentation, which implied she would file her own income tax returns.

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 did not meet her burden.

The information the Bureau used in preparing Petitioner's 2008, 2009, and 2010 income tax returns included income consisting of wages and 1099 income. The Bureau used a filing

status of single, allowed Petitioner a personal exemption, and used the standard deduction for single individuals. The Bureau also included Petitioner's withholdings from the information available to the Tax Commission. The returns the Bureau prepared are correct based upon the information used and available. If a taxpayer is unable to provide adequate proof of any material fact upon which a return of income depends, that taxpayer must bear his misfortune. Burnet v. Houston, 283 U.S. 223, 51 S.Ct. 413 (1931). Therefore, the Tax Commission finds the returns the Bureau prepared accurate representations of Petitioner's Idaho taxable income.

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

**CONCLUSION**

Petitioner's income for 2008 through 2010 exceeded the filing requirements for filing Idaho individual income tax returns. Petitioner was required to file Idaho income tax returns. Petitioner failed to show the income tax returns prepared by the Bureau were incorrect or in error. Therefore, the Tax Commission hereby upholds the Notice of Deficiency Determination.

THEREFORE, the Notice of Deficiency Determination dated July 9, 2012, and directed to [Redacted] is AFFIRMED.

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>
2008	\$ 391	\$ 98	\$ 68	\$ 557
2009	1,902	476	234	2,612
2010	1,227	307	93	<u>1,627</u>
			TOTAL DUE	<u>\$4,796</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 \_\_\_\_\_ 2014.

IDAHO STATE TAX COMMISSION

---

COMMISSIONER

**CERTIFICATE OF SERVICE**

I hereby certify that on this \_\_\_\_\_ day of \_\_\_\_\_ 2014, 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.