

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 25509
[Redacted],)	
)	
Petitioner.)	DECISION
_____)	

[Redacted] (Petitioner) protested the Notice of Deficiency Determination dated August 24, 2012, issued by the Tax Discovery Bureau of the Idaho State Tax Commission proposing income tax, penalty, and interest for taxable years 2007 through 2010, in the total amount of \$9,369. Petitioner did not dispute that he was required to file Idaho income tax returns; Petitioner stated he would prepare and file his own income tax 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 for taxable years 2007 through 2010. The Bureau researched the Tax Commission’s records and found Petitioner stopped filing Idaho individual income tax returns after filing his income tax return for taxable year 2006. The Bureau sent Petitioner a letter asking about his requirement to file Idaho income tax returns. Petitioner 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 2007 through 2010. The Bureau prepared returns for Petitioner and sent him a Notice of Deficiency Determination.

Petitioner protested, stating he had recently lost all his hearing and is trying to cope with the loss. Petitioner stated he thought all his back taxes were taken care of through a previous

settlement, but was apparently misled. Petitioner stated he was willing to do whatever is necessary to get this matter cleared up. Petitioner stated he is willing to make payments, but at this time he cannot handle a garnishment, hence the reason for his protest.

The Bureau acknowledged Petitioner's protest and allowed him time to prepare and file his income tax returns. However, when Petitioner failed to provide his returns within the guidelines set by the Bureau, 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 request a hearing, but stated he was getting his materials together in order to submit his returns to the Tax Commission by June 1, 2013. Petitioner stated he was not trying to avoid paying the tax he owed; he just wanted to put this behind him.

The Tax Commission allowed Petitioner the additional time he requested and even extended the time. The Tax Commission also provided Petitioner with information he was having difficulty getting. The Tax Commission offered a solution to Petitioner's case, but it apparently only added confusion. Petitioner stated he was taking all his information to a tax preparer and asked for the address to mail his returns to. The Tax Commission responded and that was the last correspondence from either party. Petitioner never did provide his income tax returns. 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 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 he was required to file Idaho income tax returns for the years in question. Petitioner just wanted to file his own income tax returns. However, Petitioner did not follow through and file his 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 provided nothing to show the returns the Bureau prepared were incorrect. In fact, most of the information Petitioner was using to prepare his returns came from the Tax Commission.

The Bureau prepared returns for Petitioner based upon the information Petitioner apparently provided the [Redacted] when he entered into a settlement agreement with the [Redacted]. It only stands to reason, then, that the returns Petitioner would have prepared would have been substantially identical, if not identical, to the returns the Bureau prepared.

CONCLUSION

Petitioner received wages in each of the taxable years 2007 through 2010, that exceeded the filing requirements for filing Idaho individual income tax returns. Petitioner was required to file Idaho income tax returns. The Bureau prepared Petitioner's income tax returns based upon the taxable income reported to the [Redacted]. *See* Idaho Code section 63-3002. Petitioner provided nothing contrary to the returns the Bureau prepared. Therefore, the Tax Commission upholds the Notice of Deficiency Determination.

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

THEREFORE, the Notice of Deficiency Determination dated August 24, 2012, and directed to [Redacted] is hereby 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>
2007	\$1,433	\$361	\$430	\$2,224
2008	1,729	432	400	2,561
2009	1,844	461	329	2,634
2010	1,750	438	230	<u>2,418</u>
			TOTAL DUE	<u>\$9,837</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.
