

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

In the Matter of the Protest of	)	
	)	DOCKET NO. 25614
[Redacted],	)	
	)	
Petitioner.	)	DECISION
_____	)	

[Redacted] (Petitioner) protested the Notice of Deficiency Determination dated September 11, 2012, asserting income tax, penalty, and interest in the total amount of \$18,587 for taxable years 2006, 2007, 2009, and 2010. Petitioner disagreed with the Tax Discovery Bureau’s (Bureau) determination of his Idaho taxable income. The Tax Commission, having reviewed the file, hereby issues its decision.

**BACKGROUND**

The Bureau received information that Petitioner may have had a requirement to file Idaho individual income tax returns for multiple taxable years. The Bureau searched the Tax Commission’s records and found Petitioner had not filed Idaho income tax returns for several years. 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 individual income tax returns for 2006, 2007, 2009, and 2010. The Bureau prepared income tax returns for Petitioner and sent him a Notice of Deficiency Determination.

Petitioner protested the Bureau’s determination, stating he did not have an issue with the income amounts, but he wanted to get it all correct so as to lessen his tax burden. Petitioner stated he recently had [Redacted] and will be having another very soon. Petitioner stated he needed more time to get everything in order so he can file his income tax returns.

The Bureau worked with Petitioner for several months until it was evident Petitioner was not going to provide the necessary returns. Therefore, 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 contacted the Tax Commission and left a message to call him. The Tax Commission returned Petitioner's call, leaving a message about the unfiled returns and to contact the Tax Commission again. Petitioner did not contact the Tax Commission, nor did he provide income tax returns for consideration. Seeing that Petitioner has had ample opportunity to provide additional information and/or income tax returns, the Tax Commission decided the matter based upon the information available.

### **LAW AND ANALYSIS**

Idaho Code section 63-3030 states the income thresholds for filing Idaho individual income tax returns. The Bureau received information that Petitioner's income exceeded the threshold for resident individuals for taxable years 2006, 2007, 2009, and 2010. Petitioner did not disagree with the amounts of earned income as determined by the Bureau. Petitioner wanted to make sure everything was correct and that he was not paying more than he should. Petitioner implied he would prepare and submit income tax returns for the questioned years.

The Bureau's determination of Petitioner's Idaho taxable income came from forms 1099 MISC and W-2 Wage and Tax statements. The Bureau allowed Petitioner a personal exemption deduction and the standard deduction for a single individual.

Petitioner failed to provide any information contrary to the Bureau's determination. Petitioner made no further contact with the Tax Commission. 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 his burden. Since Petitioner's income exceeded Idaho's threshold for filing an individual income tax return, Petitioner was required to file 2006, 2007, 2009, and 2010 Idaho income tax returns.

The Tax Commission reviewed the returns the Bureau prepared for Petitioner and, considering the information available, found them to be an accurate representation of Petitioner's Idaho taxable income for the taxable years in question.

### **CONCLUSION**

Petitioner was an Idaho resident and received income in excess of Idaho's filing requirements in 2006, 2007, 2009, and 2010. Petitioner was required to file Idaho individual income tax returns for those taxable years. Petitioner did not contest his requirement to file the returns; he questioned their accuracy. Petitioner failed to present anything to show the inaccuracies of the returns prepared by the Bureau. Therefore, the Tax Commission finds Petitioner's 2006, 2007, 2009, and 2010 Idaho income tax returns, as prepared by the Bureau, are an accurate depiction of Petitioner's Idaho taxable income.

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

THEREFORE, the Notice of Deficiency Determination dated September 11, 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>
2006	\$2,270	\$ 568	\$ 849	\$ 3,687
2007	5,979	1,495	1,815	9,289
2009	1,495	374	276	2,145
2010	3,209	802	453	<u>4,464</u>
			TOTAL DUE	<u>\$19,585</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.  
  
\_\_\_\_\_