

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

| | | |
|---------------------------------|---|------------------|
| In the Matter of the Protest of |) | |
| |) | DOCKET NO. 26025 |
| [Redacted], |) | |
| |) | |
| Petitioner. |) | DECISION |
| _____ |) | |

On July 9, 2013, the Income Tax Audit division of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NODD) to [Redacted] (taxpayer) proposing additional income tax, penalty, and interest for taxable year 2009, in the total amount of \$1,363.

On August 28, 2013, a timely protest and petition for redetermination was filed by the taxpayer. The taxpayer has not requested a hearing. The Commission has reviewed the file, is advised of its contents, and hereby issues its decision affirming the NODD.

The taxpayer was issued an NODD by the Commission pursuant to an [Redacted] redetermination of his income. The Commission received the [Redacted] audit from the [Redacted] showing that they had eliminated the employee business expenses claimed on the taxpayer's Schedule A. The Commission found that the auditor correctly recomputed the taxpayer's income tax liability pursuant to the [Redacted] redetermination.

The protest letter received from the taxpayer stated that the NODD was incorrect due to the fact that all his work related expenses are legitimate and true. On October 23, 2013, the Commission received from the taxpayer, copies of all his receipts and expenses for taxable year 2009. The taxpayer also stated in a later correspondence that he was sure the [Redacted] had accepted his itemized deductions as originally filed because he has not been contacted by them again since providing the receipts.

However, a recent review of [Redacted] records shows none of the additional tax assessed by examination has been abated. To date, the taxpayer has not provided any correspondence from the [Redacted] that shows the [Redacted] NODD was changed.

Idaho Code § 63-3002 states it is the intent of the Idaho legislature to make the Idaho income tax code identical to the Internal Revenue Code in the way taxable income is determined. Idaho Code § 63-3069 states that, upon a final determination of any deficiency or refund of [Redacted] taxes, written notice shall be immediately sent to the State Tax Commission by the taxpayer. IDAPA 35.01.01 Income Tax Administrative Rule 890.03 states that immediate notification is within 60 days of the final determination.

From the cited Idaho Code sections and the Administrative Rule, it is apparent the Idaho legislature intended any changes made to the taxpayer's [Redacted] return to be reflected on the taxpayer's Idaho return. Therefore, it is the Commission's position that the changes made to the taxpayer's [Redacted] return must be made to the taxpayer's state return.

Following the Idaho Code, the adjustments should be made to the taxpayer's Idaho income tax return. The taxpayer carries the burden to prove the adjustments were incorrect. The Commission's position is the taxpayer must be granted relief at the [Redacted] level before relief can be granted at the state level.

Since the taxpayer has not provided the Commission with a contrary result to the [Redacted]'s original redetermination, the Commission must uphold the deficiency as asserted.

THEREFORE, Notice of Deficiency Determination dated July 9, 2013, and directed to [Redacted], is hereby APPROVED and MADE FINAL.

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

| <u>YEAR</u> | <u>TAX</u> | <u>PENALTY</u> | <u>INTEREST</u> | <u>TOTAL</u> |
|-------------|------------|----------------|-----------------|--------------|
| 2009 | \$1,148 | \$57 | \$190 | \$1,395 |

Interest is calculated through July 1, 2014.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of the taxpayer'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.
