

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 26109
[Redacted],)	
)	
Petitioner.)	DECISION
_____)	

On January 10, 2013, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NODD) to [Redacted] (taxpayer) proposing income tax, penalty, and interest for taxable years 2007 through 2011, in the total amount of \$54,677.

The taxpayer filed a timely protest. He did not submit additional information or request an informal conference. The Commission, having reviewed the file, hereby issues its decision based upon the information contained in the file.

When the Bureau could not find any record of the taxpayer's 2007 through 2011 Idaho individual income tax returns, the taxpayer was sent a letter advising him of the missing returns and asking him for an explanation. The taxpayer did not respond.

The Bureau requested, and received, a transcript of the taxpayer's [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 him an NODD. On March 13, 2013, the taxpayer, through his appointed representative, appealed the NODD. The representative requested an additional 30 days in which to gather information and prepare returns for all of the aforementioned years. The Bureau allowed the requested 30 day extension, along with numerous other extensions of time. When the returns did not arrive as promised, the file was transferred to the Legal/Tax Policy Division for administrative review.

Neither the taxpayer, nor his appointed representative, responded to a letter from the tax policy specialist that outlined his appeal rights. To date, the returns have not been submitted and the taxpayer has not provided any additional information for the Commission's consideration. The time has come for the Commission to decide this matter.

The information obtained from the [Redacted] along with Commission records, shows the taxpayer had income in excess of the filing requirement. The Commission issued an NODD to the taxpayer based upon this information. The Commission used a filing status of single, with no dependents, and the additional standard deduction amounts were allowed as the taxpayer is over 65 years of age. The taxpayer's withholding of \$551, \$575, and \$600 for taxable years 2009 through 2011, respectively, and the estimated payments made each year by the taxpayer, were allowed to offset a portion of the Idaho income tax due. 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 taxpayer has provided nothing that would dissuade the Commission from accepting the Bureau's determination of Idaho income and Idaho income tax for taxable years 2007 through 2011.

THEREFORE, the Notice of Deficiency Determination dated January 10, 2013, is hereby APPROVED and MADE FINAL.

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

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2007	\$16,475	\$4,119	\$4,690	\$25,284
2008	6,557	1,639	1,446	9,642
2009	7,157	1,789	1,220	10,166
2010	5,441	1,360	671	7,472
2011	2,964	741	246	<u>3,951</u>
			TOTAL DUE	<u>\$56,515</u>

Interest is computed through August 14, 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.
