

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

In the Matter of the Protest of	)	
	)	DOCKET NO. 39029
[Redacted],	)	
	)	
Petitioners.	)	DECISION
_____	)	

On March 25, 2014, the Income Tax Audit Bureau (Bureau) of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NODD) to [Redacted] and [Redacted] (petitioners), proposing additional tax, penalty and interest in the amount of \$1,552 for taxable year 2010. The petitioners filed a Married, filing joint tax return for taxable year 2010, but divorced in 2011.

[Redacted] filed a timely protest and petition for redetermination. He did not request a hearing and has provided no additional information for the Commission’s consideration. The Commission has reviewed the file, is advised of its contents, and hereby issues its decision.

The Bureau received information from a third party that indicated the petitioners had earned income that was not shown on their income tax return for taxable year 2010. When asked about the unreported income, [Redacted] stated she did not receive a 1099-Misc form for the work performed and, in addition, could not recall when she began work and if, in fact, she received compensation in 2010 or in 2011. [Redacted] claims to have no knowledge of the income and was unaware the Married, filing joint tax return filed for taxable year 2010 was not accurate. The NODD was issued and sent to petitioners at their respective addresses. [Redacted] protested the NODD; no response was received from [Redacted]. The file was transferred to the Legal/Tax Policy Division for administrative review and continuation of the appeals process.

In his letter of protest, [Redacted] stated he had no knowledge of the omitted income and that [Redacted] took care of the taxes for 2010. Therefore, he does not feel that he should be liable for the additional tax.

Idaho Code § 63-3031(b)(3) defined the responsibility of a married couple making the election to file their tax returns with a filing status of married filing joint:

- (3) If a joint return is made, the tax shall be computed on the aggregate income and the liability with respect to the tax shall be joint and several.

Because the petitioners chose to file their tax returns as married filing joint, the State of Idaho holds the taxpayers jointly and severally liable. One spouse may have a cause of action against the other spouse, however, the state remains in a neutral position. Joint and several liabilities simply mean the state may collect any portion of the liability up to the entire amount from either spouse.

[Redacted] stated in his protest letter that the omitted income was [Redacted] and he had no knowledge of it. The petitioners divorced some time in taxable year 2011, but that does not change the fact that the petitioners filed a joint income tax return for taxable year 2010. The petitioners' subsequent separation and divorce does not affect their 2010 filing. The Commission's ability to collect a deficiency in tax from either petitioner remains the same.

The petitioners have provided nothing that would dissuade the Commission from accepting the Bureau's determination of Idaho income and Idaho income tax for taxable year 2010. The penalty and interest additions were calculated in conformity with Idaho Code §§ 63-3045 and 63-3046.

THEREFORE, the Notice of Deficiency Determination dated March 25, 2014, is APPROVED and MADE FINAL.

IT IS ORDERED that the petitioners pay the following amount of tax, penalty and interest:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2010	\$960	\$480	\$145	\$1,585

Interest is calculated through March 31, 2015.

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

An explanation of the petitioners' 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.

---

**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.

---