

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)
) DOCKET NO. 25798
[Redacted],)
)
)
Petitioner.) DECISION
)
_____)

[Redacted] (Petitioner) protested the Notice of Deficiency Determination issued by the Revenue Operations Division of the Idaho State Tax Commission for taxable year 2012 in the total amount of \$394. Petitioner disagreed he had any income that was taxable by Idaho. Petitioner stated all his income came from [Redacted]. The Tax Commission, having reviewed the file, hereby issues its decision.

BACKGROUND

Petitioner timely filed a part-year resident income tax return for taxable year 2012. During the processing of Petitioner’s 2012 income tax return, Petitioner’s return was identified as a return with a possible error. The Taxpayer Accounting Section (Taxpayer Accounting) reviewed Petitioner’s 2012 return and found that Petitioner reported no Idaho adjusted gross income, even though Petitioner stated on his Idaho return that he lived in Idaho for ten full months. Taxpayer Accounting sent Petitioner a letter questioning Petitioner’s income and then determined a portion of Petitioner’s [Redacted] unemployment compensation was taxable by Idaho. Taxpayer Accounting corrected Petitioner’s Idaho income tax return and sent him a correction notice.

Petitioner protested Taxpayer Accounting’s correction, stating he moved to Idaho in late March 2012. Petitioner stated he received both of Taxpayer Accounting’s letters the same day and did not get a chance to verify his income. Petitioner stated his income came from

[Redacted]. Petitioner provided copies of his W-2 Wage and Tax Statement and his [Redacted] unemployment compensation 1099-G.

Taxpayer Accounting reviewed the information and 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 respond, so the Tax Commission reviewed the information available and issued its decision based upon the information available.

LAW AND ANALYSIS

Idaho Code section 63-3002 states the legislative intent of the Idaho Income Tax Act; to impose a tax on residents of this state measured by Idaho taxable income wherever derived. Petitioner stated he moved to Idaho and was a resident for ten months in 2012. During the time Petitioner was a resident of Idaho he received unemployment compensation from [Redacted]. Unemployment compensation is specifically included as gross income. See Internal Revenue Code section 85. Since Petitioner received part, or all, of his unemployment compensation while he was a resident of Idaho, Petitioner is required to report that income to Idaho.

CONCLUSION

Petitioner was a part-year resident of Idaho in 2012. Petitioner received income while he was a resident of Idaho. Taxpayer Accounting determined Petitioner received unemployment compensation while an Idaho resident in 2012. Taxpayer Accounting determined Petitioner received his unemployment compensation equally throughout 2012. Taxpayer Accounting attributed ten months of Petitioner's unemployment compensation to 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 failed to provide anything to show Taxpayer Accounting's determination was incorrect. The Tax Commission reviewed Taxpayer Accounting's determination and found it reasonable based upon the information available. Therefore, the Tax Commission hereby upholds Taxpayer Accounting's determination.

THEREFORE, the Notice of Deficiency Determination dated June 26, 2013, 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>
2012	\$394	\$0	\$0	\$394
			AMOUNT PAID	<u>394</u>
			BALANCE DUE	<u>\$ 0</u>

Since petitioner has paid the balance due, no demand for payment is required or necessary.

An explanation of the Petitioner's right to appeal this decision is enclosed.

DATED this _____ day of _____ 2015.

IDAHO STATE TAX COMMISSION

 COMMISSIONER

CERTIFICATE OF SERVICE

I hereby certify that on this _____ day of _____ 2015, 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.
