

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 39218
[Redacted],)	
)	
Petitioners.)	DECISION
_____)	

On April 29, 2014, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NODD) to [Redacted] and [Redacted] (petitioners) proposing income tax, penalty, and interest for taxable years 2004, 2007, and 2008 in the total amount of \$904.

The petitioners protested the determination and subsequently submitted an Idaho Individual income tax return for taxable year 2004 and 2007. The returns were accepted as filed and the NODD was cancelled for those years. Taxable years 2004 and 2007 will not be addressed further in this decision. No information was submitted for taxable year 2008. The Commission, having reviewed the file, hereby issues its decision regarding taxable year 2008.

The petitioners failed to file their 2008 individual income tax return. Because Commission records showed the petitioners met the state income tax filing requirements and had not filed their Idaho return for 2008, the Bureau attempted to contact them for clarification. The petitioners did not respond.

[Redacted].

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 2008 Idaho individual income tax return on behalf of the petitioners and sent them an NODD. The NODD was based on information obtained from the [Redacted] and those records retained by the Commission.

The petitioners protested the Bureau's determination. In their protest letter, the petitioners did not dispute the fact that they had a filing requirement. Instead, the petitioners requested additional time in which to gather documents and prepare the 2008 return. The Bureau acknowledged the petitioners' appeal and allowed them the additional time requested.

When the petitioners did not deliver the 2008 return to the Commission after the allowed time, their file was transferred to the Legal/Tax Policy Division for administrative review. The petitioners did not respond to a letter advising them of their appeal rights.

The Idaho individual income tax return the Bureau prepared on behalf of the petitioners was based on income information gleaned from the petitioners' [Redacted] income records and the records retained by the Commission. The filing status of Married, filing joint, was used to determine the petitioners' Idaho income tax responsibility. The petitioners' withholding of \$1,339 was allowed to offset a portion of the Idaho income tax due. The interest and penalty added by the Bureau, pursuant to Idaho Code §§ 63-3045 and 63-3046, was reviewed and found to be proper and in accordance with Idaho Code.

A Notice of Deficiency Determination issued by the Idaho State Tax Commission is presumed to be accurate. Parsons v. Idaho State Tax Com'n, 110 Idaho 572 (Ct. App. 1986). The burden is on the taxpayers to show the deficiency is erroneous. Albertson's, Inc. v. State,

Dept. of Revenue, 106 Idaho 810 (1984).

The petitioners failed to file their 2008 Idaho individual income tax return and have failed to provide documentation proving error on the part of the deficiency determination. Absent information to the contrary, the Commission accepts the Bureau's calculation of Idaho income tax, penalty, and interest for that year.

THEREFORE, the Notice of Deficiency Determination dated April 29, 2014, is hereby APPROVED and MADE FINAL.

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

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2008	\$255	\$64	\$67	\$386

Interest is calculated through October 2, 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 _____ 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.
