

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

In the Matter of the Protest of	)	
	)	DOCKET NO. 39240
REDACTED,	)	
	)	
Petitioners.	)	DECISION
_____	)	

On June 12, 2014, the Income Tax Audit division of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NODD) to Redacted (taxpayers) proposing additional income tax, penalty, and interest for taxable year 2011 in the total amount of \$1,126.

A timely protest and petition for redetermination was filed by the taxpayers. The taxpayers have not requested a hearing. The Commission has reviewed the file, is advised of its contents, and hereby issues its decision affirming the NODD.

The taxpayers were issued an NODD by the Commission pursuant to Redacted redetermination of their income. The Commission received the Redacted showing that they had reduced the number of personal exemptions claimed on the taxpayers' return for taxable year 2011. The Commission found that the auditor correctly recomputed the taxpayers' Idaho income tax liability pursuant to the Redacted.

The taxpayers protested the NODD. The protest was acknowledged and the taxpayers were asked to provide documentation showing any changes to the original Redacted or any other information they would like the Commission to consider.

To date, the taxpayers have not provided any documentation from the Redacted NODD was changed. A review of Redacted shows no changes to the original audit adjustments.

Idaho Code § 63-3002 states it is the intent of the Idaho legislature to make the Idaho income tax code identical to the Redacted in the way taxable income is determined. Idaho Code § 63-3069 states that, upon a final determination of any deficiency or refund of Redacted, written notice shall immediately be 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 taxpayers' Redacted to be reflected on the taxpayers' Idaho return. Therefore, it is the Commission's position that the changes made to the taxpayers' Redacted must be made to the taxpayers' state return.

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

Since the taxpayers have not provided the Commission with a contrary result to the Redacted original redetermination, the Commission must uphold the deficiency as asserted.

THEREFORE, the Notice of Deficiency Determination dated June 12, 2014, and directed to Redacted is hereby APPROVED and MADE FINAL.

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

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2011	\$993	\$50	\$141	\$1,184

Interest is calculated through January 22, 2016.

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

An explanation of the taxpayers' 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.  
  
\_\_\_\_\_