

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

In the Matter of the Protest of	)	
	)	DOCKET NO. 39241
[Redacted],	)	
	)	
Petitioners.	)	DECISION
_____	)	

On October 15, 2014, the Income Tax Audit Division of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NODD) to [Redacted] and [Redacted] (petitioners) proposing additional income tax, penalty, and interest for taxable year 2011 in the total amount of \$763.

On October 28, 2014, a timely protest and petition for redetermination was filed by the petitioners. The petitioners did not request a hearing and have not submitted additional documentation for the Commission’s consideration. The Commission has reviewed the file, is advised of its contents, and hereby issues its decision modifying the NODD.

The petitioners were issued an NODD by the Commission pursuant to an [Redacted]([Redacted] redetermination of their income. The Commission received the [Redacted] audit from the [Redacted] showing they made an adjustment to include other income and adjustments that either reduced or eliminated various itemized deductions claimed on Schedule A, Schedule C, and Schedule E.

The protest letter sent by the petitioners requested the Commission put the matter on hold while they worked through the appeal process with the [Redacted]. To date, the petitioners have not provided the Commission with any documentation to show the original audit by the [Redacted] has been modified.

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

However, during the appeals process a discrepancy was identified on the NODD which reduces the amount of additional tax owed. The Commission, therefore, modifies the NODD issued by the Income Tax Audit Division.

THEREFORE, the Notice of Deficiency Determination dated October 15, 2014, is hereby MODIFIED, and AS SO MODIFIED, is APPROVED and MADE FINAL.

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2011	\$256	\$13	\$34	\$303

Interest is calculated through November 4, 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

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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.