

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

In the Matter of the Protest of	)	
	)	DOCKET NO. 0-417-030-144
<b>[Redacted]</b>	)	
	)	
Petitioner.	)	DECISION
<hr style="width: 40%; margin-left: 0;"/>	)	

On December 3, 2013, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NODD) to **[Redacted]** (petitioner) proposing income taxes, penalties, and interest for taxable years 2005, 2006, 2010, and 2011, in the total amount of \$69,098.

The petitioner protested the determination and subsequently submitted income tax returns for taxable years 2005, 2006, and 2011 along with additional information concerning taxable year 2010. The Bureau reviewed the returns and determined the returns submitted for taxable years 2005 and 2006 were acceptable and the NODD was cancelled for those years. Taxable years 2005 and 2006 will not be mentioned further in this decision. Based on the information provided for taxable year 2010, the Bureau determined the NODD for taxable year 2010 should also be cancelled and that year will not be mentioned further. The return submitted for taxable year 2011 was reviewed but was not accepted, as not all income was shown on the return. The Bureau notified the petitioner of the missing income and that the return would not be accepted. The petitioner was given time to submit another return, but to date, has not done so. The Bureau did take into consideration information shown on the return that reduced the amount of tax due. The Bureau modified the NODD accordingly, notified the petitioner and provided the petitioner with an opportunity to withdraw his protest if he was in

agreement with the revised figures. The petitioner did not respond. The time has come for the Commission to decide this matter.

When the Bureau could not find any record of the petitioner's 2011 Idaho individual income tax return, the petitioner was sent a letter advising him of the missing return and asking him for an explanation. The petitioner did not respond.

The Bureau requested and received a transcript of the petitioner's federal income records from the Internal Revenue Service (IRS). The information was provided in accordance with Internal Revenue Code § 6103(d) and Idaho Code § 63-3077.

Because petitioner did not file a state income tax return, the Bureau prepared a provisional return and issued an NODD. On January 27, 2014, the Bureau received a letter of protest from the petitioner. The petitioner did not give a legal and factual reason the NODD was incorrect, but simply protested due to the fact that he was having his mail forwarded to him and had not yet had an opportunity to review the income information shown in the NODD. The Bureau acknowledged the protest and granted the petitioner additional time in which to prepare and submit the missing return. As mentioned previously, the petitioner did submit an income tax return for taxable year 2011 but it was not accepted. When a corrected return did not arrive and the petitioner did not withdraw his protest of the NODD, the Bureau forwarded the file to the Legal/Tax Policy Division for continuation of the appeals process.

The Tax Policy Specialist sent a letter to the petitioner that explained his alternatives for redetermining the NODD. The petitioner did not respond. Therefore, the Commission, believing the petitioner has had an adequate amount of time to file a corrected Idaho individual income tax return, decides this matter based upon the information presently contained in the file.

The information obtained by the Bureau from the IRS showed that petitioner had income

in excess of the filing requirement. Therefore, the Commission issued an NODD to petitioner, as an Idaho resident, based upon the information received from the IRS and those records maintained by the Commission. The Commission used a filing status of single and with one personal exemption. Idaho withholding in the amount of \$3,001 was identified and allowed to offset the amount of tax due as was a deduction for insurance premiums paid which was shown on the return submitted by petitioner. The penalty and interest additions were calculated in conformity with Idaho Code § 63-3045 and § 63-3046.

A Notice of Deficiency Determination issued by the Idaho State Tax Commission is presumed to be accurate. Parsons v. Idaho State Tax Commission, 110 Idaho 572 (Ct. App. 1986). Petitioners have the burden of proving error on part of the deficiency determination by presenting information to support their argument. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

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 2011.

THEREFORE, the Notice of Deficiency Determination dated December 3, 2013, and directed to **[Redacted]**, is hereby, MODIFIED, and as modified by this decision, 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>
2011	\$2,120	\$530	\$342	\$2,992

Interest is computed through July 29, 2016.

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

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

DATED this \_\_\_\_\_ day of \_\_\_\_\_ 2016.

IDAHO STATE TAX COMMISSION

---

COMMISSIONER

**CERTIFICATE OF SERVICE**

I hereby certify that on this \_\_\_\_\_ day of \_\_\_\_\_ 2016, 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.

---