

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 1-179-488-256
[REDACTED],)	
)	
Petitioner.)	DECISION
_____)	

On July 9, 2014, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination to [Redacted] (Petitioner) asserting income tax, penalty, and interest in the amount of \$19,752 for the 2004 through 2009, 2011 and 2012 taxable years. The notice advised Petitioner that, if he disagreed with the deficiency determined by the Bureau, he could petition the Tax Commission for a redetermination.

On August 25, 2014, Petitioner sent the Commission a letter requesting additional time to file his returns. The Commission acknowledged this letter as a valid protest. Petitioner subsequently filed returns for the assessed years, 2007-2008 and 2011-2012. Except for a few immaterial income items and dependents, each of these returns was a match for the originally assessed amounts.

Based on the information received, the Bureau accepted the 2007-2008 and 2011-2012 returns and cancelled the Notice of Deficiency Determination for those years. The Bureau has not received any Idaho individual income tax returns for the 2004-2006 and 2009 tax years. The deficiency for those tax years totals \$9,655. Petitioner did not submit any additional information for the Tax Commission to consider.

This decision is based on the information contained in the Commission’s files. The Commission has reviewed the files, is advised of their contents, and now issues this decision.

For the reasons set forth below, the Commission affirms the deficiency for the 2004-2006 and 2009 taxable years determined by the Bureau with interest updated through June 17, 2016.

This is a non-filer case. Petitioner lives in Idaho and did not file Idaho individual income tax returns for the 2004-2006 and 2009 tax years. Based on information obtained by the Tax Commission's tax enforcement specialist, Petitioner had an Idaho income tax filing requirement. Information received from W-2s and 1099s show Petitioner received income of approximately \$39,581 during taxable year 2004; \$18,995 during taxable year 2005; \$39,754 during taxable year 2006; and \$43,385 during taxable year 2009.

Based on this income information, the Bureau prepared provisional returns for Petitioner. The Bureau provided Petitioner with personal deductions and exemptions, and allowed identified Idaho withholding the 2004-2006 and 2009 tax years. Once completed, the provisional returns showed a tax deficiency existed for each of the years at issue. The Bureau then issued a Notice of Deficiency Determination which included a description of the information relied upon, a copy of the provisional returns, a document showing the calculation of interest, and an explanation of Petitioner's right to request a redetermination of the deficiency.

Petitioner responded to the Notice of Deficiency Determination by filing 2007-2008 and 2011-2012 Idaho individual income tax returns. Petitioner provided no documentation related to his 2004-2006 and 2009 Idaho individual income tax deficiency.

Persons who are required to file an Idaho individual income tax return must pay Idaho income tax on their taxable income at the rate set forth in Idaho Code § 63-3024. In the event a person fails to file a tax return or to pay the proper amount of individual income tax, Idaho law specifically provides the Commission with the authority to issue a Notice of Deficiency Determination.

63-3045. 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

It is well settled in Idaho that provisional returns determined by the Idaho State Tax Commission are presumed to be correct. Albertson’s Inc. v. State, Dept. of Revenue, 106 Idaho 810, 814 (1984); Parsons v. Idaho State Tax Commission, 110 Idaho 572, 574-575 n. 2 (Ct. App. 1986). The burden is on the Petitioner to show that the tax deficiency is erroneous. *Id.* The Petitioner has failed to show that the provisional returns prepared by the Tax Commission are incorrect. Therefore, based on the information available, the Tax Commission finds the provisional returns to be a fair representation of the Petitioner’s taxable income for the taxable years in question and that the amount shown due on the Notice of Deficiency Determination is true and correct.

THEREFORE, the Notice of Deficiency Determination dated July 8, 2014, and directed to [Redacted], is hereby APPROVED and MADE FINAL.

IT IS ORDERED that the Petitioner pay the following taxes, penalties, and interest:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2004	\$2,119	\$530	\$1,020	\$3,669
2005	609	152	255	1,016
2006	1,357	339	485	2,181
2009	1,958	490	341	<u>2,789</u>
			TOTAL DUE	<u>\$9,655</u>

Interest is calculated through June 17, 2016, and will continue to accrue until paid.

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.
