

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 1-626-812-416
[Redacted])	
,)	
)	
Petitioners.)	DECISION
<hr style="width: 45%; margin-left: 0;"/>		
)	

On November 10, 2015, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NODD) to **[Redacted]** (petitioners) proposing income tax, penalty, and interest for taxable year 2007 in the total amount of \$2,443.

The petitioners filed a timely protest. They did not request an informal conference and have not provided any additional information for consideration. Therefore, the Commission, having reviewed the file, hereby issues its decision based upon the information contained in the file.

A letter was sent to the petitioners advising them of their missing return and asking them for an explanation, because the Bureau could not find any record of the petitioners' 2007 Idaho individual income tax return. The petitioners did not respond. The Bureau requested, and received, a transcript of the petitioners' federal income tax records from the Internal Revenue Service (IRS). The information was provided in accordance with Internal Revenue Code § 63-6103(d) and Idaho Code § 63-3077.

Because the petitioners did not file a state income tax return for taxable year 2007, the Bureau prepared a provisional return and issued an NODD. On January 11, 2016, the Bureau received a letter of protest from the petitioners. In their appeal letter the petitioners requested additional time to gather information and submit an actual return for taxable year 2007 as the one prepared by the Bureau did not reflect expenses from their small business. The Bureau

acknowledged the petitioners' protest and allowed them an extension of time to prepare and submit the missing return. When the return did not arrive after the extension of time expired, the Bureau forwarded the file to the Legal/Tax Policy Division for continuation of the appeals process.

The tax policy specialist sent the petitioners a letter that explained their alternative for redetermining the NODD. The petitioners did not respond. Therefore, the Commission, believing the petitioners have had an adequate amount of time to file their aforementioned missing Idaho individual income tax return, decides this matter based upon the information presently contained in the file.

The Idaho resident individual income tax return the Bureau prepared on behalf of the petitioners was based upon the income information gleaned from the petitioners' federal income records and the records retained by the Commission. The Bureau used a filing status of married, filing joint, with no additional dependents. Idaho withholding in the amount of \$480 was identified and 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 Commission, 110 Idaho 572 (Ct. App. 1986). Taxpayers have the burden of proving error on part of the deficiency determination by presenting information to support their argument. *See* 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 2007.

THEREFORE, the Notice of Deficiency Determination dated November 10, 2015, and directed to **[Redacted]**, 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>
2007	\$1,537	\$384	\$570	\$2,491

Interest is computed through October 7, 2016.

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 _____ 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.
