

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of )  
 ) DOCKET NO. 1-666-670-592  
[REDACTED], )  
 )  
 )  
Petitioner. ) DECISION  
 )  
\_\_\_\_\_ )

On February 6, 2014, the staff of the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NODD) to [Redacted] (taxpayer) proposing income taxes, penalties, and interest for taxable years 2010, 2011, and 2012 in the total amount of \$8,039.

On April 14, 2014, the taxpayer filed a timely appeal and petition for redetermination. On July 25, 2014, the taxpayer submitted an Idaho individual income tax return for tax year 2010. On January 20, 2015, the taxpayer submitted an Idaho individual tax return for tax year 2012. The returns were accepted by the Commission and those tax years will not be mentioned further in this decision. The only tax year remaining on the NODD is 2011. The Commission has made numerous attempts to contact the taxpayer to allow him the opportunity to provide the missing tax return or additional information. To date, no return has been received. The Commission having reviewed the file, hereby issues its decision.

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

The Bureau requested and received income information from the Internal Revenue Service (IRS) in accordance with Internal Revenue Code § 6103(d) and Idaho Code § 63-3077. Those records indicated that the taxpayer's income for the year in question exceeded the filing requirements of Idaho Code § 63-3030. Because the taxpayer did not file his state income tax

return, the Bureau prepared a provisional return and issued an NODD. The NODD was based on information obtained from the IRS and records retained by the Commission. The taxpayer protested the Bureau's determination. The taxpayer stated in his appeal letter that he was unsure if the figures were correct and would contact his accountant. To date, no return has been received for the aforementioned year.

The Idaho resident individual income tax return the Bureau prepared on behalf of the taxpayer was based on income information obtained from the taxpayer's federal income records and the records retained by the Commission. The filing status of single was used to determine the taxpayer's Idaho income tax responsibility. The Bureau determined the amount of Idaho income tax due based on federal information.

In Idaho, a State Tax Commission deficiency determination is presumed to be correct, and the burden is on the taxpayer to show that the deficiency is erroneous. Parsons v. Idaho State Tax Commission, 110 Idaho 572, 574-575 n. 2, 716 P. 2 d 1344, 1346-1347 n. 2 (Ct. App. 1986). The taxpayer did not meet his burden. It is the taxpayer's responsibility to provide any deductions to offset the Bureau's income figures. United States v. Ballard, 535 F. 2 d 400 (1976). Since the taxpayer failed to meet his burden, the Commission finds the adjusted gross income amount for taxable year 2011, prepared by the Bureau, is a reasonable representation of the taxpayer's Idaho adjusted gross income based upon the information available.

The taxpayer has 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 Commission upholds the Bureau's determination of the taxpayer's Idaho taxable income.

The Bureau added interest and penalty to the taxpayer's Idaho tax. The Commission reviewed those additions and found them appropriate and in accordance with Idaho Code §§ 63-3045 and 63-3046, respectively.

THEREFORE, the Notice of Deficiency Determination dated February 6, 2014, and directed to [Redacted], is hereby MODIFIED and MADE FINAL.

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2011	\$ 3,926	\$982	\$610	\$5,518

Interest is calculated through June 1, 2016.

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

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

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

IDAHO STATE TAX COMMISSION

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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.

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