

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 1-780-076-544
[Redacted] ,)	
)	
Petitioner.)	DECISION
<hr style="width: 45%; margin-left: 0;"/>		

On April 24, 2015, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NODD) to **[Redacted]** (petitioner) proposing taxes, penalties and interest for taxable years 2006 through 2011 in the total amount of \$7,968.

A timely protest and petition for redetermination was filed by the petitioner. An informal hearing has not been requested. The Commission has reviewed the file, is advised of its contents, and hereby issues its decision.

The petitioner did not file his 2006 through 2011 Idaho individual income tax returns. Because Commission records showed the petitioner met the state income tax filing requirements and had not filed his Idaho individual income tax returns for taxable years 2006 through 2011, the Bureau attempted to contact him for clarification. 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 state income tax returns, the Bureau prepared provisional returns and issued an NODD. The petitioner submitted a timely protest of the NODD stating that the notice was not accurate because he had worked in other states during some of the years shown in the NODD and had paid taxes to those states. The Bureau acknowledged the protest and in an effort to allow the petitioner credit for taxes paid to another state, if in fact he was

entitled, sent inquiries to the revenue departments of California, Colorado, Montana and North Dakota. Only the state of California had record of the petitioner filing an income tax return and that was in taxable year 2008. After receiving this information the Bureau again contacted the petitioner and explained the concept of domicile and its effect on his Idaho resident income tax returns. The petitioner was also informed that a credit for taxes paid to California would be allowed, but in order to receive a credit for taxes he may have paid to any of the other states in which he worked, the petitioner would need to file returns in those respective states. Numerous correspondence were sent to petitioner reminding him of his requirement to file Idaho income tax returns, but to no avail. When returns were not received, the file was transferred to the Legal/Tax Policy Division for administrative review.

The petitioner did not respond to a letter from the tax policy specialist that outlined his appeal rights and to date, has not submitted the missing Idaho individual income tax returns for the years in question. The time has come for the Commission to decide this matter.

The information obtained from the Internal Revenue Service (IRS) along with Commission records, show the petitioner had income in excess of the filing requirement. The Commission issued an NODD to the petitioner based on the income information obtained from the IRS and that found in Commission records.

For all years shown in the NODD, the Bureau used a filing status of single, with no dependents. For taxable years 2006, 2007, 2010, and 2011, the Idaho resident individual income tax returns the Bureau prepared on behalf of the petitioner were based upon W-2 wages and income reported to the petitioner on form 1099. Idaho withholding in the amount of \$268, \$834 and \$608 for taxable years 2007, 2010 and 2011, respectively, was identified and allowed to offset a portion of the Idaho income tax due. No withholding was identified for the other years

shown in the NODD. For taxable years 2008 and 2009, the petitioner did file an individual income tax return with the IRS. Therefore, the Bureau computed the petitioner's Idaho income tax responsibility using the same filing status, single, and adjusted gross income shown on the petitioner's as shown in IRS records. As previously mentioned, for taxable year 2008, a credit for taxes paid to California was 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). The burden is on the taxpayer to show that the tax deficiency is erroneous. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

The petitioner has provided nothing that would dissuade the Commission from accepting the Bureau's determination of Idaho income and Idaho income tax for taxable years 2006 through 2011.

THEREFORE, the Notice of Deficiency Determination dated April 24, 2015, 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>
2006	\$1,087	\$272	\$474	\$1,833
2007	265	66	97	428
2008	543	136	164	843
2009	1,860	465	470	2,795
2010	1,321	330	271	1,922
2011	278	70	46	394
			TOTAL DUE	<u>\$8,215</u>

Interest is calculated through August 31, 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.
