

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)
) DOCKET NO. 1-978-200-064
)
)
) DECISION
)
 _____ Petitioners)

On April 5, 2019, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (Notice) to [REDACTED] (Petitioners), proposing individual income tax (IIT), penalty and interest for the 2011 and 2012 tax years, in the total amount of \$14,398.

On June 5, 2019, Petitioners filed a timely appeal and petition for redetermination of this Notice, requesting more time to provide additional documentation. However, Petitioners provided no information. Therefore, the Bureau forwarded Petitioners’ protest to the Appeals Unit for review.

On January 21, 2020, Appeals sent Petitioners a hearing rights letter, but Petitioners provided no response. The Commission reviewed the case file and upholds the Bureau’s findings for the following reasons.

Background and Audit Findings

On February 8, 2018, the Bureau sent Petitioners a letter explaining that it had no record of their 2011, 2012, and 2013 IIT returns. This letter also asked that Petitioners complete the questions on the letter and provide copies of the 2011, 2012 and 2013 IIT returns. The United States Postal service returned the letter to the Bureau, stamped “Attempted Not Known.”

After confirming Petitioner’s’ new address, the Bureau mailed Petitioners a second request for Petitioners’ 2011, 2012, and 2013 IIT returns. Petitioners did not respond.

The Bureau reviewed Petitioners' W-2s and 1099s for the 2011, 2012, and 2013 tax periods. Using these documents, the Bureau determined Petitioners should have filed a 2011 and 2012 IIT return. Therefore, the Bureau issued a Notice for the 2011 and 2012 tax periods.

Petitioners protested the Notice and indicated that they would provide additional information. Petitioners provided no returns or additional information to substantiate any changes.

Conclusion

In this case, Petitioners provided no 2011 and 2012 IIT returns. It is well established that a Commission's Notice "is presumed to be correct, and the burden is on the taxpayer to show that the Commission's decision is erroneous." *Parker v. Idaho State Tax Comm'n*, 148 Idaho 842, 845, 230 P.3d 734, 737 (2010) (citing *Albertson's Inc. v. State Dep't of Revenue*, 106 Idaho 810, 814, 683 P.2d 846, 850 (1984)). Petitioners did not meet this burden.

Since Petitioners provided no substantive argument or documentation to show that the Notice is incorrect, the Commission finds that the amounts shown in the Notice are correct.

The Bureau added interest and penalty to the income tax deficiency. The Commission reviewed these additions and finds them to be appropriate per sections 63-3045 and 3046, Idaho Code, and updated interest accordingly. Interest is calculated through July 31, 2020 and will continue to accrue at the rate set forth in section 63-3045(6), Idaho Code until paid.

THEREFORE, the Notice, dated April 5, 2019, is hereby APPROVED, in accordance with the provisions of this decision, and is AFFIRMED and MADE FINAL.

IT IS ORDERED that Petitioners pay the following tax, penalty, and interest:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2011	\$5,202	\$1,301	\$1,717	\$8,220
2012	\$4,377	\$1,094	\$1,283	\$6,754
TOTAL DUE				14,974

An explanation of Petitioners' right to appeal this decision is enclosed.

IDAHO STATE TAX COMMISSION

CERTIFICATE OF SERVICE

I hereby certify that on this _____ day of _____, 2020 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.
