

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 0-059-212-800
)	
Petitioner.)	DECISION
)	

This case arises from a timely protest of a Notice of Deficiency Determination (Notice) issued to (Petitioner) for taxable years 2016 through 2020. The Idaho State Tax Commission (Commission), after a review of the matter, upholds the Notice issued to Petitioner for the reasons discussed below.

THEREFORE, the Notice dated April 27, 2022, and directed to Petitioner is AFFIRMED.

IT IS ORDERED that Petitioner pay the following tax, penalty, and interest.

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2016	\$2,198	\$550	\$522	\$3,270
2017	1,438	360	294	2,092
2018	1,155	289	187	1,631
2019	1,135	284	130	1,549
2020	1,271	318	102	<u>1,691</u>
				<u>\$10,233</u>

Interest is computed through September 21, 2023.

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

BACKGROUND

During a review of taxpayer data, the Tax Discovery Bureau (Bureau) found that Petitioner did not file his Idaho individual income tax returns for taxable years 2016 through 2020. The Bureau, using Commission information and third-party information, determined Petitioner had a filing requirement per Idaho Code section 63-3030 for each of the years in question. The Bureau sent

Petitioner a letter asking about his requirement to file Idaho income tax returns. The Bureau when Petitioner did not respond used W-2s and 1099s to prepare returns and issued a Notice.

Petitioner protested disputing the amount due stating his dependent children were not included. The Bureau accepted Petitioner's protest and transferred the matter to the Commission's Tax Appeals Unit (Appeals) for administrative review.

Appeals reviewed the matter and sent Petitioner a letter with two methods for redetermining a protested Notice. Petitioner did not respond. Therefore, the Commission decided the matter based upon the information available.

LAW AND ANALYSIS

Idaho Code section 63-3030 provides the income thresholds for filing Idaho individual income tax returns and states that every resident individual that is required to file a federal return is required to file an Idaho return.

Idaho Code section 63-3068(d) states that in the case of a failure to file a return a notice of deficiency may be issued, and the tax imposed by this chapter may be assessed at any time.

Petitioner has income above the threshold and therefore is required to file Idaho individual income tax returns for the years in question. The Idaho individual income tax returns prepared for Petitioner by the Bureau included all known income and allowable deductions. The Commission reviewed those returns and found them to be a reasonable representation of Petitioner's taxable income. If Petitioner has dependent children to claim, he must either file returns of his own making or provide sufficient information showing he is entitled to the dependent exemptions.

CONCLUSION

On appeal, a deficiency determination issued by the Commission "is presumed to be correct, and the burden is on the taxpayer to show that the Commission's decision is erroneous." *See 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)). Petitioner is required to provide evidence to establish that the amount asserted in the Notice is incorrect. Petitioner did not meet his burden.

Petitioner received income in the taxable years 2016 through 2020 that exceeded the threshold for filing an Idaho income tax return. Petitioner was required to file Idaho income tax returns. Therefore, the Commission upholds the Notice issued to Petitioner.

The Bureau added interest and penalty to Petitioner's Idaho tax. The Commission reviewed those additions and found them appropriate and in accordance with Idaho Code sections 63-3045 and 63-3046.

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

DATED this _____ day of _____ 2023.

IDAHO STATE TAX COMMISSION

CERTIFICATE OF SERVICE

I hereby certify that on this _____ day of _____ 2023,
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:

Receipt No.
