

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 0-070-321-152
)	
Petitioner.)	DECISION
<hr style="width: 45%; margin-left: 0;"/>)	

The Tax Discovery Bureau (Bureau) at the Idaho State Tax Commission (Tax Commission) issued a Notice of Deficiency Determination (Notice) to (Petitioner) asserting an income tax deficiency of \$3,349 for tax year 2016. Petitioner filed a timely appeal and petition for redetermination of the Notice. The Tax Commission has reviewed the file and hereby issues its decision.

Petitioner did not file an Idaho individual income tax return for the referenced tax year. The Bureau requested Petitioner file his tax return but did not receive a response. The Bureau determined an income tax deficiency of \$3,349 and issued a Notice. Petitioner appealed contending entitlement to additional deductions and credits.

The Tax Appeals Unit notified Petitioner of his appeal options. Petitioner failed to schedule a hearing but stated he would submit additional documents. The Tax Appeals Unit never received any additional documents.

The Tax Commission determination of a deficiency is presumed correct, and the taxpayer bears the burden of proving it incorrect. *Parsons v. Idaho State Tax Commission*, 110 Idaho 572, 574-575 n.2, 716 P.2d 1344, 1346-1347 n.2 (Ct. App. 1986). Additionally, tax deductions and tax credits are a matter of legislative grace and the burden of clearly showing the right to any claimed deduction or credit is on the taxpayer. *INDOPCO, Inc. v. Comm’r*, 503 U.S. 79, 84 (1992). *Lewyt*

Corp. v. Comm'r, 349 U.S. 237, 250 (1955). *Commodore Mining Co. v. Comm'r*, 111 F.2d 131, 133 (10th Cir. 1940). *New Colonial Ice Co. v. Helvering*, 292 U.S. 435, 440 (1934).

The Tax Commission finds Petitioner, having not filed his tax return for tax year 2016, having not introduced any documentary evidence, and minimal testimonial evidence, has failed to prove the Notice is incorrect. Therefore, the Tax Commission will uphold the Notice.

The Bureau added interest and penalty to the income tax deficiency. The Tax Commission reviewed those additions, found both to be appropriate per Idaho Code sections 63-3045 and 63-3046, and has updated interest accordingly. Interest is calculated through December 20, 2022 and will continue to accrue at the rate set forth in Idaho Code section 63-3045(6) until paid.

THEREFORE, the MODIFIED Notice of Deficiency Determination dated May 5, 2022, is hereby APPROVED, in accordance with the provisions of this decision, and is AFFIRMED and MADE FINAL.

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	\$2,347	\$587	\$470	\$3,404

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

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

DATED this _____ day of _____ 2022.

IDAHO STATE TAX COMMISSION

CERTIFICATE OF SERVICE

I hereby certify that on this _____ day of _____ 2022,
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.
