

The Division forwarded the case to the Tax Commission's Tax Discovery Bureau (Bureau) for further review of Petitioner's residency and income.

The Bureau reviewed the information and contacted the Employer who confirmed that Petitioner is a Washington resident, but he does perform work in Idaho. The Bureau acknowledged Petitioner's protest and explained that Idaho taxes all income earned in the state for both residents and nonresidents. The Bureau also explained that because his employer reported Idaho wages and withholding, Petitioner would need to provide a corrected W-2, to show the income was not earned in Idaho. Petitioner did not respond. The Bureau forwarded the file to the Tax Commission's Appeals Unit (Appeals) for administrative review.

Appeals reviewed the matter and sent Petitioner a letter discussing alternatives for redetermining a protested Notice. Again, Petitioner did not respond. Therefore, the Tax Commission will issue a decision based on the current information available.

LAW AND ANALYSIS

Idaho Code section 63-3030(2) states:

(2) Any nonresident individual having for the current taxable year a gross income from Idaho sources in excess of two thousand five hundred dollars (\$2,500), or any part-year resident individual having for the current taxable year a gross income from all sources while domiciled in or residing in Idaho, and from Idaho sources while not domiciled in and not residing in Idaho, which in total are in excess of two thousand five hundred dollars (\$2,500);

Petitioner is clearly a Washington resident but based on the income documents submitted by his employer, he had Idaho source income that exceeded \$2,500. Petitioner was required to file an Idaho income tax return, and he did submit an Idaho non-resident income tax return. However, the return did not include the \$47,759 of Idaho income reported on his W-2. Petitioner provided no evidence to contradict the amount of Idaho wages reported by his employer. The Tax Commission must rely on the employer's reporting as being accurate. Therefore, the Tax

Commission upholds the Division's correction to Petitioner's 2024 Idaho individual income tax return.

CONCLUSION

Petitioner filed his 2024 nonresident Idaho income tax return but did not include Idaho source income. The Division adjusted his return to include Idaho source income, which reduced his refund and created a tax due. The Tax Commission reviewed the Notice and finds it to be accurate and appropriate.

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

THEREFORE, the Notice dated October 24, 2025, and directed to [REDACTED] [REDACTED] is hereby AFFIRMED and MADE FINAL.

IT IS ORDERED that Petitioner pay the following tax, penalty, and interest calculated per Idaho Code section 63-3045:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2024	\$1,261	\$126	\$109	\$1,496

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 _____ 2026.

IDAHO STATE TAX COMMISSION

CERTIFICATE OF SERVICE

I hereby certify that on this _____ day of _____, 2026,
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.
