

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 0-229-737-472
)	
Petitioner.)	DECISION
<hr style="width: 50%; 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) for failure to file partnership tax returns for tax years 2018 and 2019. Petitioner filed an appeal requesting additional time to file the past due tax returns. The Tax Commission has reviewed the file and hereby issues its decision. See related dockets 1-303-479-296 and 1-522-304-000.

Based on the facts submitted, Petitioner did not file partnership income tax returns for the referenced tax years. The Bureau requested Petitioner file tax returns but did not receive the requested information. Therefore, the Bureau determined tax attributes (income, deductions, and credits) based on the information available and issued a Notice. Since Petitioner is a pass-through entity, the tax attributes of the entity flowed through to the pass-through owners of the entity. Petitioner appealed requesting additional time to file actual returns. The Bureau and the Tax Appeals Unit granted Petitioner additional time to file the missing returns but never received the tax returns.

Idaho Code section 63-3030(9) provides every partnership transacting business in Idaho is required to file an informational return and shall include the names and addresses of the persons who would be entitled to share in the net income of the partnership if distributed and the amount

of the distributive share of each person. Idaho Code section 63-3046B allows the Tax Commission to impose a penalty for failure to file a partnership tax return.

If a taxpayer fails to file a return when required, the Tax Commission can prepare a return and issue a Notice based on the information available. Idaho Code section 63-3042. The Tax Commission's determination of a deficiency is presumed correct, and the taxpayer bears the burden of proving it incorrect. *Parker v. Idaho State Tax Comm'n*, 148 Idaho 842, 845, 230 P.3d 734, 737 (2010).

The Tax Commission finds Petitioner, having not filed their tax returns for the referenced tax years, having not introduced any documentary evidence and minimal testimonial evidence, has failed to prove the Notice is incorrect. As a result, the Tax Commission will uphold the Notice.

THEREFORE, the Notice of Deficiency Determination dated January 4, 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 penalty:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>TOTAL</u>
2018	\$0	\$100	\$100
2019	0	100	100
		Audit Payment	<u>(\$200)</u>
		Total due	<u><u>\$0</u></u>

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.

Receipt No.
