

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 0-281-125-888
)	
Petitioners.)	DECISION
<hr style="width: 50%; margin-left: 0;"/>)	

(Petitioners) protested the Notice of Refund Determination (Notice) dated November 20, 2023. The Tax Commission has reviewed the matter and hereby issues its final decision to uphold the Notice.

Background

Petitioners filed their 2022 individual income tax return showing “Form 51 estimated payments and amount from 2021 return” of \$65,956. After determining that this amount didn’t match available records, the Tax Commission’s Revenue Operations division (RO) issued the Notice reducing the total of estimated payments shown on the return and stating, “The Form 51 estimated payments you claimed don’t match our records.” Petitioners protested the Notice through a third party whom they would later appoint as their representative (Representative). The protest was mailed December 5, 2023, and stated, “A payment of \$18,200 was made, but the credited amount does not reflect this transaction. Enclosed with this letter is the cancelled check, which provides clear evidence of the payment.” Included with the protest letter was a copy of a check (#021703, written on a business account to the Tax Commission for \$18,200). The protest was delivered to the Tax Commission on December 8, 2023.

On January 4, 2024, RO sent Petitioners a letter acknowledging their protest and stating that the case would be forwarded to the Tax Commission’s Appeals unit (Appeals) for administrative review. On January 9, 2024, Appeals sent Petitioners a letter explaining the alternatives available

for redetermining a protested Notice. Petitioners responded via email on January 13, 2024, providing a Form ID-POA, *Power of Attorney*, to appoint the person who had sent the protest letter as Representative. They asked that he be communicated with concerning the appeals matter. On February 20, 2024, Appeals sent Representative an email and attached a copy of the same letter sent to Petitioners on January 9. Representative did not respond to this email. Therefore, the Tax Commission decided this matter based on information currently available.

Analysis

A decision in this case required a review of not only payment records, but also Petitioners' 2021 and 2022 Idaho income tax returns. On their 2021 tax return, Petitioners requested that their overpayment of \$57,756 be carried forward and applied to their 2022 estimated tax instead of being refunded to them. The Tax Commission has confirmed that there were no additional estimated payments applied to Petitioners' individual income tax account. When Petitioners claimed \$65,956 in "Form 51 estimated payments and amount from 2021 return," they claimed \$8,200 more than was available.

The \$18,200 check that Representative used as evidence of payment was originally received on or about January 4, 2023, and accompanied by a Form 41ES - Voucher, *Estimated Tax Payment/ Extension of Time Payment, Business Income Tax.*" The payment was processed in a manner consistent with the information on the voucher and applied as an estimated payment to the business income tax account of the S-corporation Petitioners jointly own. It was not available in whole or in part to be claimed as an estimated payment on Petitioners' individual income tax return.

Conclusion

No estimated payments were recorded on Petitioners' individual income tax account for tax year 2022. The Tax Commission finds that the adjustments made by RO are necessary and accurate. Consequently, Petitioners' 2022 overpayment is reduced, and the correct amount has been refunded to Petitioners.

THEREFORE, the Notice dated November 20, 2023, and directed to
is hereby APPROVED and MADE FINAL. As no additional tax is due, there
is no demand for payment.

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

DATED this ____ day of _____, 2024.

IDAHO STATE TAX COMMISSION

CERTIFICATE OF SERVICE

I hereby certify that on this _____ day of _____ 2024,
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.
