

**BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO**

In the Matter of the Protest of	)	
	)	DOCKET NO. 0-420-575-232
	)	
	)	
Petitioners.	)	DECISION
_____	)	

**INTRODUCTION**

This case arises from a timely protest of a Notice of Refund Determination (Notice) issued to (Petitioners) for taxable year 2020. The Idaho State Tax Commission (Commission) after a review of the matter upholds the Notice issued to Petitioners.

THEREFORE, the Notice dated November 12, 2021, and directed to Petitioners is AFFIRMED.

There is no demand for payment; the Notice issued to Petitioners was for a reduction in a claimed refund.

The Commission upholds the Notice for the reasons discussed below.

**BACKGROUND**

The Revenue Operations Division Taxpayer Accounting Section (Revenue Operations) during the normal processing of taxpayer returns reviewed Petitioners’ Form 43, Part-year Resident and Nonresident Income Tax Return for taxable year 2020. Revenue Operations found errors on Petitioners’ return. Petitioners filed their return claiming a \$613 credit for taxes withheld by on behalf of Petitioners. However, the Commission has no record of receiving an income tax return from showing taxes were paid for Petitioners.

Revenue Operations did however find a payment from an S-Corporation owned by Petitioners, for \$581 for tax year 2020. Revenue Operations adjusted

Petitioners' return to match the information in the Commission's records. Revenue Operations issued a Notice to Petitioners which they protested. Petitioners stated, "We disagree with the reduction of the refund by \$32. We have submitted to you both K-1s but from what we can tell you have only processed the one for Mrs. \_\_\_\_\_ Please process the K-1 for Mr. \_\_\_\_\_ Revenue Operations accepted Petitioners' protest and transferred the matter to the Commission's Appeals Unit (Appeals) for an administrative review.

Appeals reviewed the matter and sent Petitioners a letter with two options for redetermining a protested Notice. Petitioners did not respond to the letter, nor did they provide any additional information. The Commission decided the matter based upon available information.

#### **LAW AND ANALYSIS**

Revenue Operations reduced Petitioners' claimed credit for taxes withheld by an entity to match the single payment of \$581 received from \_\_\_\_\_ Petitioners filed their return with one K-1 but mentioned multiple K-1s in their protest. The Commission does not have any record of \_\_\_\_\_ filing a return or making a payment.

#### **CONCLUSION**

The Commission agrees with the adjustment made by Revenue Operations to Petitioners' return. Petitioners did not provide documentation to substantiate their claim of a \$613 credit for taxes withheld by any entity. The Commission requires Petitioners to provide adequate evidence to establish that the amount asserted in the Notice is incorrect. Here, Petitioners did not provide adequate evidence. As such the Commission upholds the Notice issued to Petitioners.

An explanation of Petitioners' 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  
Postal Service, postage prepaid, in an envelope addressed to:

Receipt No.

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