

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of) DOCKET NO. 0-421-827-584
[REDACTED])
Petitioners.) DECISION
[REDACTED])

[REDACTED] (Petitioners) protested the Notice of Refund Determination (Notice) dated April 30, 2025. The Tax Commission reviewed the matter and hereby issues its final decision to uphold the Notice.

Background

Petitioners filed an Idaho income tax return for tax year 2024 using Form 43, claiming “Form 51 estimated payments and amount applied from 2023 return” of \$8,400 on line 67. The Tax Commission’s Revenue Operations Division (RO) issued the Notice on April 30, 2025, to reduce line 67 to \$7,039. The reason for the determination as provided in the Notice was: “Due to a change we made in your previous years’ return, the amount you carried forward from that year’s tax return doesn’t match our records.”

Petitioners signed the Consent to Assessment¹ on the Notice and returned it to RO, along with a letter stating the following: “I disagree with the changes made to my 2024 tax return. The 2023 return showed \$1361 to be applied to my 2024 tax return and did not receive a refund of this money.” Petitioners included a copy of their 2023 Idaho Form 43 showing an overpayment of \$1,361 which they requested to apply to 2024.

¹ “I consent to this change. I understand that I waive my right to appeal by consenting to this assessment.”

RO sent a letter acknowledging the protest and informing Petitioners that the matter was being forwarded to the Tax Commission's Appeals unit (Appeals) to continue the redetermination process. Appeals contacted Mr. [REDACTED] via telephone and explained the history that led to RO issuing the Notice. Appeals sent an email to the address Mr. [REDACTED] provided explaining in detail and providing options to schedule an informal hearing or provide additional information to support the protest position if they wanted to continue their protest. Appeals asked for a response by June 23.

On June 17, Mr. [REDACTED] responded that he would look into the situation and respond further. On June 26, Appeals followed up with Mr. [REDACTED] with a request for any questions by July 1. On June 29, Mr. [REDACTED] replied, stating that his "tax guy" was out of the office and that he would try again to contact him soon. After receiving no further response, Appeals sent Mr. [REDACTED] an email on July 10, asking if there were any questions after meeting with the tax preparer. Mr. [REDACTED] responded on that same day that he had been unable to call his tax preparer due to a family emergency. Appeals acknowledged the situation and scheduled next contact for July 18 unless Petitioners reached out sooner. After again receiving no further response, Appeals sent an email on July 21 asking for Petitioners to either withdraw their protest, request an informal hearing, or provide additional documentation by July 25. Petitioners have not responded, so the Tax Commission must make a decision based on the information currently available.

Law & Analysis

A decision in this case for tax year 2024 requires a review of returns and payments for tax years 2022 and 2023.

Petitioners filed their 2022 Idaho tax return on April 14, 2023. RO adjusted that return and issued a Notice on June 28, 2023, which Petitioners did not protest. This resulted in Petitioners

owing additional tax and interest for 2022. By the time they paid the amount designated in the Notice, additional interest had accrued, which left a small balance due.

When Petitioners filed their 2023 Idaho tax return, they reported an overpayment of \$1,361 and asked that it roll forward to apply to any tax for 2024. However, because Petitioners still owed for 2022, this overpayment was used to offset the amount due. The balance of the \$1,361 overpayment was refunded to Petitioners in the form of a check. Petitioners confirmed to Appeals that they received the check and deposited it.

Because the overpayment from 2023 was used to pay a balance owed and then the remainder refunded, Petitioners do not have any amount to roll forward to their 2024 return. Therefore, the Tax Commission determined that the adjustment in the Notice issued June 4, 2025, is correct.

On their 2024 Idaho tax return, Petitioners reported an overpayment of \$8,390. They requested a refund of \$4,890 and a roll-forward to 2025 of \$3,500. The result of the adjustment in the Notice is a reduction of the refund portion of the overpayment from \$4,890 to \$3,529. Petitioners have already received this reduced refund. There is no change to the portion of the overpayment that rolls forward to 2025.

Conclusion

Petitioners had an overpayment from their 2023 Idaho return that was used to pay a balance owed for a prior period, and the remainder of the overpayment was refunded. Petitioners did not have a roll-forward from 2023 to apply to 2024.

THEREFORE, the Notice dated April 30, 2025, and directed to [REDACTED]

[REDACTED] is hereby UPHELD and MADE FINAL.

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

DATED this _____ day of _____ 2025.

IDAHO STATE TAX COMMISSION

CERTIFICATE OF SERVICE

I hereby certify that on this _____ day of _____, 2025,
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.

[REDACTED] _____
[REDACTED] _____
[REDACTED] _____