

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of

██████ ██████████ ██████████

Petitioners.

)
) DOCKET NO. 0-525-063-168
)
)

) DECISION
)

The Tax Discovery Bureau (Bureau) sent ██████████ ██████████ ██████████ (Petitioners) a Notice of Deficiency Determination (Notice) for tax years 2019 through 2023. Petitioners protested, disagreeing with the accuracy of the returns prepared by the Bureau. The Tax Commission has reviewed the matter and hereby modifies the Notice.

BACKGROUND

During a review of taxpayer information, the Bureau could not locate Petitioners' individual Idaho tax returns for 2019 through 2023. The Bureau determined that Petitioners met the requirements to file Idaho returns for the years in question. The Bureau contacted Petitioners inquiring about the missing returns. Petitioners did not respond. The Bureau then sent Petitioners a Notice, preparing the missing returns for them using available 1099s, Idaho K-1s, and W-2s. Petitioners protested, understanding their filing requirement and stating their desire to file the missing returns. Petitioners eventually provided a return for tax year 2019. The Bureau reviewed the return, accepted it, and sent it for processing. This return better reflects Petitioners' Idaho taxable income than the one prepared by the Bureau. The Tax Commission hereby modifies the Notice by removing tax year 2019 and it will not be discussed in this decision. Petitioners failed to provide any of the other returns in a timely manner. The Bureau then transferred the matter to the Tax Commission's Appeals Unit (Appeals) for administrative review. Appeals attempted to

contact Petitioners on April 9, 2026, but did not receive a response. The Tax Commission must make its decision with information currently available.

LAW AND ANALYSIS

Idaho Code section 63-3030(a)(1) requires each individual who is a resident of Idaho to file an Idaho income tax return if required to file a federal return. Internal Revenue Code section 6012 states that the requirement to file a federal return is based on gross income.

The information gathered by the Bureau and used to calculate Petitioners' Idaho taxable income clearly shows that Petitioners received gross income above the threshold amounts for filing returns. Petitioners did not express disagreement with the Bureau's conclusion that they were required to file Idaho returns for the years in question but rather argued that filing actual returns would result in a more accurate tax figure.

A Notice of Deficiency Determination issued by the Idaho State Tax Commission is presumed to be correct, and the burden is on the taxpayer to show that the Tax Commission's determination is erroneous. *Dunn v. Idaho State Tax Comm'n*, 162 Idaho 673, 675 (2017) (quoting *Parker v. Idaho State Tax Comm'n*, 148 Idaho 842, 845 (2010)). Petitioners did not meet this burden. Therefore, the Tax Commission finds the return prepared by the Bureau to be a reasonable representation of Petitioners' Idaho taxable income and related tax due.

CONCLUSION

Based on the available information, Petitioners received income exceeding the gross income threshold for filing Idaho income tax returns for the years in question. Petitioners filed a return for tax year 2019 and it was removed from the Notice. Petitioners have yet to file any of the other returns. Petitioners have not provided any evidence or compelling argument that the returns prepared by the Bureau are incorrect.

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

IT IS ORDERED that Petitioners pay the following tax, penalty, and interest:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2020	\$8,600	\$2,150	\$2,204	\$12,954
2021	20,118	5,030	4,731	29,879
2022	29,017	7,254	5,788	42,059
2023	13,004	3,251	1,905	<u>18,160</u>
			TOTAL	<u>\$103,052</u>

The Tax Commission DEMANDS immediate payment of this amount. Interest is calculated in accordance with Idaho Code section 63-3045.

An explanation of Petitioners' 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.

[REDACTED]

[REDACTED]