BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protes	st of)	DOCKET NO. 0-630-219-776
	Petitioner.)	DECISION

The Tax Commission's Revenue Operations Division (RO) sent

(Petitioner) a Notice of Refund Determination (Notice) for tax year 2022. Petitioner protested, disagreeing with the removal of a portion of their estimated tax payments. The Tax Commission has reviewed the matter and hereby upholds the Notice.

BACKGROUND

Petitioner files as a C-Corporation with less than 100% Idaho apportionment factor. Petitioner filed their 2022 ID Form 41 Corporate Income Tax Return and claimed \$4,083 in estimated tax payments. RO reviewed the return and could not verify \$2,620 of the estimated payments claimed. Petitioner did not respond to RO's request for information letters, so a Notice was sent to adjust the \$2,620 difference in undocumented estimated payments. Petitioner protested and provided checks substantiating only a portion of the payments. RO acknowledged their protest and transferred the case to the Tax Commission's Appeals Unit (Appeals). Appeals sent Petitioner a letter on April 17, 2024, attempting to explain their situation and their right to a hearing. Petitioner did not respond, so the Tax Commission must make its decision on the information available.

ANALYSIS AND FINDINGS

In tax year 2018, RO could not verify \$3,653 in estimated payments. Petitioner did not respond to verification requests, so a Notice was issued removing \$3,653 in estimated payments

for 2018. This created a domino effect disallowing refund roll-forwards for tax years 2019, 2020, 2021, and 2022. In each of these years, RO sent Petitioner a Notice advising them of their reduced estimated payments. Petitioner did not respond for any of the years except for 2022. Then in 2024, the Tax Commission's Quality Assurance and Research department conducted a review of Petitioner's past estimated payments and found the missing \$3,653 from 2018. A refund was issued on March 21, 2024, with interest to resolve the error.

The main issue stems from Petitioner arguing they should have a larger refund roll-forward from 2021 into 2022. Petitioner received a refund check for the missing 2018 estimated payment, so the payment cannot be recognized in later years as it would result in a double claimed credit. Therefore, the Notice for tax year 2022 is still correct and is calculated from the following:

- Petitioner sent \$2,200 in estimated payments for tax year 2021 and had no refund roll-forward from 2020.
- Petitioner had a total tax of \$1,337, resulting in a \$863 refund roll-forward into 2022.
- Petitioner sent \$600 in estimated payments for tax year 2022.
- With a refund roll-forward of \$863 and estimated payments of \$600, Petitioner's total Form 51 payments equal \$1,463 for 2022.
- Petitioner had a total tax of \$1,826, resulting in a \$363 tax due for 2022.

CONCLUSION

Petitioner has received credit for the \$3,653 for tax year 2018 in the form of a refund check with interest. The payment cannot be recognized twice. The Tax Commission has reviewed the facts at hand and has determined the adjustment made by RO to be appropriate and accurate. With

the adjustments presented in the Notice, Petitioner does not have claim to a refund roll-forward into 2023.

THEREFORE, the Notice of Refund Determination dated January 24, 2023, is hereby APPROVED and MADE FINAL.

<u>YEAR</u>	\underline{TAX}	<u>INTEREST</u>	<u>TOTAL</u>		
2022	\$363	\$13	\$376		
		Less: Payment			
		Received	\$(376)		
No DEMAND for payment is required as this decision has been paid in full. An explanation of Petitioner's right to appeal this decision is enclosed.					
DATED this	_day of	2024.			
		IDAHO STATE TAX CO	OMMISSION		

CERTIFICATE OF SERVICE

I hereby certify that on this a copy of the within and foregoing DECI mail, postage prepaid, in an envelope add	SION was served by sendi	2024, ng the same by United States
	Receipt No.	