

received, the Bureau forwarded the file to the Tax Commission's Appeals Unit (Appeals) for administrative review. Appeals reviewed the matter and sent Petitioner a letter discussing alternatives for redetermining a protested Notice. Petitioner did not respond.

LAW AND ANALYSIS

Idaho Code section 63-3030 states every corporation which is transacting business in this state, authorized to transact business in this state, or having income attributable to this state, unless exempt from the tax imposed in this chapter shall file an Idaho income tax return. The information gathered by the Bureau clearly shows Petitioner transacting business in Idaho during the years in question, thus meeting the requirement for filing Idaho income tax returns.

Petitioner did not contest its requirement to file Idaho income tax returns for tax years 2017 through 2022. Instead, it argues the Bureau's determination was incorrect because expenses were not included, thus making profits higher than they actually are. However, credits and deductions are a matter of legislative grace. *INDOPCO, Inc. v. Commissioner*, 503 U.S. 79, 84, 112 S. Ct. 1039, 117 L.Ed.2d 226 (1992); *New Colonial Ice Co., Inc. v. Helvering*, 292 US. 435, 440, 54 S.Ct. 788 (1934). The burden rests upon the taxpayer to claim their credits and claim their proper deductions. *United States v. Ballard*, 535 F.2d 400, 404 (1976).

If a taxpayer is unable to provide adequate proof of any material fact upon which a deduction depends, no deduction is allowed, and the taxpayer must bear its misfortune. *Burnet v. Houston*, 283 US. 223, 51 S.Ct. 413 (1931). Here, Petitioner has provided no documentation to show its entitlement to any deductions or credits, they have not met their burden.

CONCLUSION

Based on the available information, Petitioner transacted business in Idaho for tax years 2017 through 2022. Petitioner is required to file Idaho corporate income tax returns and has yet to

do so. The Tax Commission finds the returns prepared by the Bureau to be a reasonable representation of Petitioner's Idaho taxable income and related tax due for the years in question.

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

THEREFORE, the Notice dated June 21, 2024, and directed to [REDACTED] [REDACTED] [REDACTED] is hereby AFFIRMED and MADE FINAL.

IT IS ORDERED that Petitioner pay the following tax, penalty, and interest calculated per Idaho Code section 63-3045:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2017	\$314	\$79	\$106	\$499
2018	30	10	9	49
2019	30	10	8	48
2020	1,217	304	258	1,779
2021	11,836	2,959	2,143	16,938
2022	1,467	367	230	<u>2,064</u>
			TOTAL DUE	\$21,377

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of Petitioner's 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.
