BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	DOCKET NO. 0-939-795-456
Petitioner	rs.)	DECISION

The Tax Commission's Revenue Operations Division sent (Petitioners) a Notice of Refund Determination (Notice) for tax year 2021. Petitioners protested, stating they were going to amend their return to resolve the issue. The Tax Commission has reviewed the matter and hereby upholds the Notice.

BACKGROUND

Petitioners filed a nonresident Idaho income tax return for tax year 2021. They reported income from wages and other additions, allocating 66.84% of their total income to Idaho. No explanation of the other additions was provided. Petitioners used the standard deduction, calculated their Idaho taxable income, but failed to calculate their tax from the tax tables on ID Form 43 line 42. Revenue Operations reviewed the return and sent Petitioners a Notice calculating the tax for them with penalties and interest. Petitioners' tax preparer sent a letter in response, stating in part:

After a review of the tax return filed for the taxpayers, a technical error was noted regarding the W-2 income that our tax software did not access correctly. An amended return was created to fix the technical error of the W-2 income, the income is corrected, and properly reported on the amended form 43. The technical error and changes/amendments to the Idaho tax return will be communicated to the taxpayers. The amended returns will be e-filed to report the corrected taxes due. Please allow for additional time to review the amended returns and agree with our assessment.

Revenue Operations acknowledged their protest and transferred the case to the Tax Commission's Appeals Unit (Appeals).

Appeals sent Petitioners correspondence through email, letters, and phone calls in attempts to establish contact. Appeals did not receive a response from Petitioners, but their preparer eventually was contacted by phone. During the phone conversation, the preparer stated he was still working on the case and the amended return will be filed as soon as possible. After some time, no update or amended return was provided. With no amended return or additional information, the Tax Commission must make its decision on the information available.

LAW AND ANALYSIS

Petitioners reported Idaho taxable income of \$78,007. Tax on this income for married joint filers in 2021 is \$4,596. Petitioners also claimed \$1,921 in income tax withholding on ID Form 43 line 66, which was credited on the Notice. On appeal, a Notice issued by the Tax Commission "is presumed to be correct, and the burden is on the taxpayer to show that the Tax Commission's decision is erroneous." *Parker v. Idaho State Tax Comm'n*, 148 Idaho 842, 845, 230 P.3d 734, 737 (2010) (citing *Albertson's Inc. v. State Dep't of Revenue*, 106 Idaho 810, 814, 683 P.2d 846, 850 (1984)). With no amended return, the Tax Commission presumes the tax calculation on the Notice to be correct.

CONCLUSION

Petitioners failed to calculate their Idaho tax correctly on their 2021 income tax return. The Tax Commission has reviewed the facts at hand and has determined the tax calculation made by Revenue Operations to be appropriate and accurate.

THEREFORE, the Notice of Refund Determination dated November 16, 2022, is hereby APPROVED and MADE FINAL.

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

<u>YEAR</u>	<u>TAX</u>	PENALTY	<u>INTEREST</u>	<u>TOTAL</u>
2021	\$2,675	\$308	\$191	\$3,174

Interest is calculated through December 31, 2023.

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

DATED this 10th day of April 2024.

IDAHO STATE TAX COMMISSION

CERTIFICATE OF SERVICE

I hereby certify that on this 10th day of April DECISION was served by sending the same by United addressed to:	, 11
	Receipt No.