BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of [redacted] Petitioner.	))))))	DOCKET NO. 1-077-892-096 DECISION

[redacted] (Petitioner) protested the Notice of Deficiency Determination (Notice) dated July 24, 2025. Petitioner disagreed with the Idaho State Tax Commission's (Tax Commission) Tax Discovery Bureau's (Bureau) determination of her Idaho taxable income for tax years 2017 through 2023. The Tax Commission reviewed the matter and hereby upholds the Notice for the reasons stated below.

BACKGROUND

During a review of Petitioner's filing history, the Bureau found she stopped filing Idaho individual income tax returns after submitting her 2014 return. Tax Commission records, along with information obtained by the Bureau, show that Petitioner is a 50% member of [redacted] (Entity). As a member, her share of the Entity's income flows through to her individual income tax return. The business income included in Petitioner's Notice resulted from a non-filer audit of the Entity, which was also protested.

Petitioner argues that the tax liabilities shown on the Notice differ from the amounts she calculated as her federal returns near completion. Petitioner stated that she intends to comply and will file the missing returns as soon as possible. The Bureau acknowledged her protest and gave her additional time to file the missing returns. When Petitioner did not submit the returns, the Bureau forwarded the case to the Tax Commission's Appeals Unit (Appeals) for administrative review.

Appeals reviewed the matter and sent Petitioner a letter discussing the methods available for redetermining a Notice. Petitioner did not respond. Therefore, the Tax Commission resolves the matter based on the information available.

LAW AND ANALYSIS

Idaho Code section 63-3030 provides the income thresholds for filing Idaho income tax returns. The income from the audit of the Entity clearly shows Petitioner's income exceeded the threshold for each of the years. Petitioner did not deny she was required to file Idaho income tax returns. Rather, she argued that her taxable income is less than what the Bureau determined.

The Tax Commission did not receive any returns from the Entity and Petitioner has yet to file any of the missing individual returns. In Idaho, it is well established that a Tax Commission Notice is presumed to be correct, and the taxpayer bears the burden of showing the deficiency is erroneous. See *Parsons v. Idaho State Tax Commission*, 110 Idaho 572, 574-575 n.2 (Ct. App. 1986) (citing *Albertson's Inc. v. State, Dept. of Revenue,* 106 Idaho 810, 814 (1984)). Petitioner did not provide individual income tax returns for tax years 2017 through 2023.

CONCLUSION

Petitioner met the requirements to file Idaho individual income tax returns. Although she disagreed with the Bureau's determination of her taxable income, she did not provide contrary information and has not filed the missing returns. Therefore, the Tax Commission upholds the Notice.

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 July 24, 2025, and directed to [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:

YEAR	TAX	PENALTY	INTEREST	TOTAL
2017	$3,813	$953	$1,362	$6,128
2018	3,197	799	1,004	5,000
2019	3,051	763	794	4,608
2020	3,656	914	845	5,415
2021	4,433	1,108	930	6,471
2022	6,504	1,626	1,132	9,262
2023	4,164	1,041	504	5,709
			TOTAL	$ 42,593

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

An explanation of Petitioner's 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:

[redacted]

Receipt No.

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