

**BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO**

In the Matter of the Protest of	)	
	)	DOCKET NO. 1-303-479-296
	)	
Petitioner.	)	DECISION
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The Tax Discovery Bureau (Bureau) at the Idaho State Tax Commission (Tax Commission) issued a Notice of Deficiency Determination (Notice) to (Petitioner) for failure to file Idaho individual income tax returns for tax years 2015, 2016, 2017, 2018, and 2019. Petitioner filed a timely appeal and requested additional time to file the past due tax returns.

During the appeals process, Petitioner submitted tax returns and payments for tax years 2015 and 2016. The Bureau reviewed and accepted these returns subject to additional review. Therefore, the Tax Commission will not discuss tax years 2015 and 2016 further in this decision. The Tax Commission has reviewed the file and hereby issues its decision. See related dockets 1-522-304-000 and 0-229-737-472.

Based on the facts submitted, Petitioner is a 50% partner of \_\_\_\_\_ and

Petitioner did not file Idaho individual income tax returns for the referenced tax years. The Bureau requested Petitioner file tax returns but did not receive the requested information. Therefore, the Bureau determined tax attributes (income, deductions, and credits) based on the information available and issued a Notice. Petitioner appealed requesting additional time to file actual returns. The Bureau and the Tax Appeals Unit granted Petitioner additional time to file the missing returns but never received the tax returns.

Idaho Code section 63-3030(1) provides residents of Idaho are required to file an Idaho income tax return if they are required to file a federal income tax return under Internal Revenue Code section 6012(a)(1). Internal Revenue Code section 6012(a)(1) provides taxpayers must file tax returns when their gross income exceeds the sum of (1) their standard deduction amount (including the additional amount for age but not blindness), and (2) their allowable personal (not dependency) exemptions.

If a taxpayer fails to file a return when required, the Tax Commission can prepare a return and issue a Notice based on the information available. Idaho Code section 63-3042. The Tax Commission's determination of a deficiency is presumed correct, and the taxpayer bears the burden of proving it incorrect. *Parker v. Idaho State Tax Comm'n*, 148 Idaho 842, 845, 230 P.3d 734, 737 (2010).

The Tax Commission finds Petitioner, having not filed their tax returns for the referenced tax years, having not introduced any documentary evidence, and minimal testimonial evidence, has failed to prove the Notice is incorrect. As a result, the Tax Commission will uphold the Notice.

The Bureau added interest and penalty to the income tax deficiency. The Tax Commission has reviewed those additions, found both to be appropriate per Idaho Code sections 63-3045 and 63-3046, and has updated interest accordingly. Interest is calculated through April 25, 2023 and will continue to accrue at the rate set forth in Idaho Code section 63-3045(6) until paid.

THEREFORE, the Notice of Deficiency Determination dated January 4, 2022, is hereby MODIFIED, in accordance with the provisions of this decision, and is AFFIRMED and MADE FINAL.

IT IS ORDERED that Petitioner pay the following tax, penalty, and interest.

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2017	\$969	\$242	\$179	\$1,390
2018	3,285	821	465	4,571
2019	3,864	966	364	5,194
				<u>\$11,155</u>

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 \_\_\_\_\_ 2023.

IDAHO STATE TAX COMMISSION

## CERTIFICATE OF SERVICE

I hereby certify that on this \_\_\_\_\_ day of \_\_\_\_\_ 2023,  
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.

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