

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

In the Matter of the Protest of	)	
	)	DOCKET NO. 1-306-166-272
	)	
	)	
Petitioner.	)	DECISION
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This case arises from a timely protest of a Notice of Deficiency Determination (Notice) issued to \_\_\_\_\_ (Petitioner) for taxable years 2014, 2016, 2017, 2018, 2019, and 2020. The Idaho State Tax Commission (Commission), after a review of the matter, upholds the Notice issued to Petitioner for the reasons discussed below.

THEREFORE, the Notice dated March 31, 2022, and directed to Petitioner is AFFIRMED.

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>
2014	\$295	\$74	\$93	\$462
2016	2,341	585	557	3,483
2017	2,542	636	522	3,700
2018	2,350	588	381	3,319
2019	2,478	620	285	3,383
2020	2,376	594	192	<u>\$3,162</u>
				<u>\$17,509</u>

Interest is computed through September 25, 2023.

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

**BACKGROUND**

During a review of taxpayer data, the Tax Discovery Bureau (Bureau) found that Petitioner did not file his Idaho individual income tax returns for taxable years 2014 and 2016 through 2020. The Bureau, using Commission information and third-party information, determined Petitioner had a filing requirement per Idaho Code section 63-3030 for the years in question. The Bureau sent Petitioner a letter asking about his requirement to file Idaho income tax returns. The Bureau, when

Petitioner did not respond, used federal returns, 1099 information, and estimated K-1s to prepare returns and issued a Notice.

Petitioner protested stating he was dealing with the death of a family member, recently took over the business, he was dealing with an illness, and other personal issues. In addition, Petitioner requested more time to file actual returns. The Bureau accepted Petitioner's protest and granted him additional time. However, when Petitioner did not file his actual returns the Bureau transferred the matter to the Commission's Tax Appeals Unit (Appeals) for administrative review.

Appeals reviewed the matter and sent Petitioner a letter with two methods for redetermining a protested Notice. Petitioner refused delivery of the letter. Therefore, the Commission decided the matter based upon the information available with no further input from Petitioner.

### **LAW AND ANALYSIS**

Idaho Code section 63-3030 provides the income thresholds for filing Idaho individual income tax returns and states that every resident individual that is required to file a federal return is required to file an Idaho return.

Idaho Code section 63-3068(d) states that in the case of a failure to file a return, a notice of deficiency may be issued, and the tax imposed in this chapter may be assessed at any time.

Petitioner had income above the threshold and is required to file Idaho individual income tax returns for the years in question. The Commission reviewed the returns the Bureau prepared and found them reasonable based on the information available. The Bureau included all known income and allowable deductions.

Since Petitioner received income in the taxable years 2014, 2016, 2017, 2018, 2019, and 2020 that exceeded the threshold for filing an Idaho income tax return, Petitioner was required to file Idaho income tax returns.

## CONCLUSION

On appeal, a deficiency determination issued by the Commission “is presumed to be correct, and the burden is on the taxpayer to show that the Commission’s decision is erroneous.” *See 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)). Petitioner is required to provide evidence to establish that the amount asserted in the Notice is incorrect. Petitioner did not meet his burden. Therefore, the Commission upholds the Notice.

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

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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