BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

| In the Matter of the Protest of | |) | DOCKET NO. 1-307-218-944 |
|---------------------------------|-------------|-------------|--------------------------|
| | Petitioner. |))) | DECISION |

(Petitioner) protested the Notice of Deficiency Determination (Notice) dated October 30, 2024. Petitioner disagreed with the Tax Discovery Bureau's (Bureau) determination of his Idaho taxable income for tax years 2017, 2018, 2021, and 2022. The Idaho State Tax Commission (Tax Commission) reviewed the matter and hereby upholds the Notice for the reasons stated below.

BACKGROUND

During a review of Petitioner's filing history with the Tax Commission, the Bureau found Petitioner stopped filing Idaho income tax returns after filing his 2016 return. The Bureau sent Petitioner a letter asking about his requirement to file Idaho income tax returns for tax years 2017 through 2022. Petitioner did not respond. The Bureau determined Petitioner was required to file Idaho income tax returns for tax years 2017, 2018, 2021, and 2022. The Bureau prepared returns for Petitioner using W-2 and 1099 information and sent him a Notice.

Petitioner protested the Notice, arguing that some of the figures used to calculate the taxes owed are incorrect. He also stated that he had previously made payments to the Tax Commission and wants to be sure he receives credit for them. The Bureau acknowledged Petitioner's protest and allowed him time to file the missing returns. When Petitioner did not submit his returns and ceased communications with the Bureau, the matter was referred to the Tax Commission's Appeals Unit (Appeals) for administrative review.

Appeals reviewed the matter and sent Petitioner a letter that discussed the methods available for redetermining a Notice. Petitioner did not respond. Seeing that Petitioner had more than adequate time to complete and submit his returns, the Tax Commission decides 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 information the Bureau gathered clearly shows Petitioner's income exceeded the threshold for each of the years. Petitioner was required to file Idaho income tax returns. He did not deny he was required to file Idaho income tax returns but stated recent health issues had prevented him from giving this matter his full attention. Petitioner asked for, and was allowed, an extension of time to file the missing returns, but he has yet to do so.

Petitioner did make several payments to the Tax Commission in recent years. The Tax Commission has reviewed these payments and Petitioner's account was properly credited.

CONCLUSION

Petitioner received income in tax years 2017, 2018, 2021, and 2022 which exceeded the threshold for filing Idaho individual income tax returns. Petitioner is required to file returns for the years shown in the Notice, but he has failed to do so. Furthermore, Petitioner has not shown the returns the Bureau prepared are incorrect. 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 October 30, 2024, and directed to 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 | \underline{TAX} | PENALTY | <u>INTEREST</u> | TOTAL |
|-------------|-------------------|----------------|-----------------|--------------|
| 2017 | \$1,379 | \$345 | \$418 | \$2,142 |
| 2018 | 1,817 | 454 | 516 | 2,787 |
| 2021 | 1,330 | 333 | 239 | 1,902 |
| 2022 | 123 | 31 | 18 | <u> 172</u> |
| | | | TOTAL | \$7,003 |

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 a copy of the within and foregoing DECIS mail, postage prepaid, in an envelope addr | SION was served by | y sending the same by United State | | |
|---|--------------------|------------------------------------|--|--|
| | Recei | ipt No. | | |
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