

The Bureau acknowledged Petitioner's protest and receipt of the additional information but did not modify the Notice. The Bureau allowed Petitioner additional time to file the missing returns, but he did not. Therefore, the Bureau referred the matter to the Tax Commission's Appeals Unit (Appeals) for administrative review.

Appeals sent Petitioner a letter explaining the options available for redetermining a Notice. Petitioner did not respond. Appeals called Petitioner asking if he planned on filing returns. Petitioner stated the returns were more complex than he thought and asked if the Tax Commission could modify the Notice to show he was married and reduce his capital gain using the cost basis shown on the 2021 Form 1099 report. Petitioner has yet to provide the missing returns.

LAW AND ANALYSIS

Idaho Code section 63-3030 provides the income threshold for filing Idaho individual income tax returns. The information gathered by the Bureau clearly shows Petitioner received Idaho source income during the years in question that exceeded the threshold amount for filing Idaho income tax returns.

Petitioner does not deny he is required to file Idaho income tax returns for tax years 2020 and 2021. Instead, Petitioner argues the Bureau's calculation of his Idaho income tax due is incorrect as he has deductions that were not included in the Notice. However, credits and deductions are a matter of legislative grace. *New Colonial Ice Co., Inc. v. Helvering*, 292 US. 435, 440, 54 S.Ct. 788 (1934). The burden rests upon the taxpayers to claim their credits and claim their proper deductions. *United States v. Ballard*, 535 F.2d 400, 404 (1976).

If a taxpayer is unable to provide adequate proof of any material fact upon which a deduction depends, no deduction is allowed, and the taxpayer must bear its misfortune. *Burnet v. Houston*, 283 US. 223, 51 S.Ct. 413 (1931). Here, Petitioner did provide information related to the

cost basis of his investments, but nothing to establish his marital status or his rights to any business deductions.

CONCLUSION

Petitioner received income in tax years 2020 and 2021 that exceeded the threshold for filing Idaho income tax returns. Petitioner was required to file Idaho income tax returns but has yet to do so. However, Petitioner did provide information to show his cost basis in the crypto currency he sold. Therefore, the Tax Commission modifies the Bureau's determination for tax year 2021 to include the cost basis which reduces the income reported on 1099-B by Robinhood Crypto LLC.

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

THEREFORE, the Notice of Deficiency Determination dated January 17, 2025, and directed to [REDACTED] is AFFIRMED AS MODIFIED by this decision.

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>
2020	\$4,498	\$1,125	\$990	\$6,613
2021	4,080	1,020	805	<u>5,905</u>
			TOTAL DUE	<u>\$12,518</u>

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

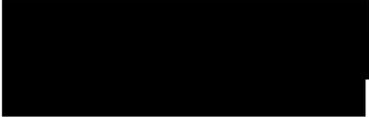
An explanation of Petitioner's right to appeal this decision is enclosed.

DATED this _____ day of _____ 2025.

IDAHO STATE TAX COMMISSION

CERTIFICATE OF SERVICE

I hereby certify that on this _____ day of _____ 2025,
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.
