BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of [redacted] Petitioner.	))))))	DOCKET NO. 1-756-124-160 DECISION

[redacted] (Petitioner) protested the Notice of Deficiency Determination (Notice) dated February 11, 2025. Petitioner disagreed with the Idaho State Tax Commission's (Tax Commission) Tax Discovery Bureau's (Bureau) determination of his requirement to file Idaho individual income tax returns for tax years 2014, 2015, 2017, and 2020. The Tax Commission reviewed the matter and hereby upholds the modified Notice for the reasons stated below.

BACKGROUND

Through normal Tax Commission processes, the Bureau discovered that Petitioner did not file Idaho individual income tax returns for tax years 2014, 2015, 2017, and 2020. The Bureau sent Petitioner a letter informing him of the missing returns and asking about his filing requirement. Petitioner responded that he was unsure whether he needed to file for those years. The Bureau replied that based on information available to the Tax Commission, he has an Idaho filing requirement and requested returns. When Petitioner did not submit his returns, the Bureau issued a Notice.

Petitioner protested the Notice, stating that he did not have Idaho income during the years at issue, did not reside in Idaho for more than a year during those periods, and he spent time in Mexico. He also provided copies of returns he filed in Louisiana, 2015 as nonresident/part-year resident and 2020 as a nonresident. Due to the out-of-state returns, the Bureau sent Petitioner a domicile questionnaire to clarify residency. Petitioner did not respond. The Bureau acknowledged the protest, informed Petitioner that as an Idaho resident he has a filing requirement regardless of where income is earned and again requested a complete questionnaire. When Petitioner did not respond further, the Bureau modified the Notice to allow credit for taxes paid to other states for tax years 2015 and 2020. Petitioner did not withdraw his protest or file the missing returns, so the Bureau forwarded the file to the Tax Commission's Appeals Unit (Appeals) for administrative review.

Appeals reviewed the matter and sent Petitioner a letter discussing alternatives for redetermining a protested Notice and enclosed a copy of the domicile questionnaire. Petitioner did not respond. Appeals sent a second letter, but Petitioner still did not respond. Therefore, the Tax Commission decides the matter based on the information available.

LAW AND ANALYSIS

Petitioner's filing history clearly shows Idaho residency. He filed his federal returns using Idaho addresses beginning in 2011, and he filed his 2013, 2019 and 2022 Idaho returns as full-year resident.

The long-established rule is that "[w]here a change of domicile is alleged, the burden of proof rests upon the party making the allegation." *Desmare v. United States,* 93 U.S. 605, 610, (1876), *Pratt v. State Tax Comm'n*, 128 Idaho 883, 884, 920 P.2d 400, 401 (1996). In the present case, the burden rests with Petitioner to prove that he abandoned his domicile in Idaho and established a domicile in another state; until that burden is met, Idaho continues to be his domicile.

The Tax Commission considered several factors in the determination that Petitioner's Idaho domicile had not been abandoned. No single factor is dispositive, but taken together they show that Petitioner did not establish a new domicile in another state:

- Petitioner obtained Idaho resident driver's licenses continually from 2012 to the present
- Petitioner registered vehicles in Idaho in 2015 and 2019
- Petitioner held Idaho resident Fish and Game licenses since 2012 stating he became an Idaho resident in 2011

Individuals often move across state lines, and the burden to show intent to abandon an old domicile and establish a new one is not high. However, taxpayers cannot claim the benefits of residency in two states. In the present case, other than wages, there is little to identify Petitioner with the state of Louisiana. He did not provide any documentation to show he had acquired Louisiana or any other state as his new domicile. Petitioner is an Idaho resident according to Idaho Code section 63-3013 and as such, is required to file Idaho income tax returns, Idaho Code section 63-3030(a)(1).

The Bureau determined Petitioner's income using the gross income reported on his federal income tax returns. The Bureau identified Idaho withholding in the amount of $155 in tax year 2017 and allowed credit for taxes paid to Louisiana for tax years 2015 and 2020, which reduced Petitioner's tax due in these years. The Bureau used the filing status of Single and allowed the standard deduction based on his federal filings.

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. *Parsons v. Idaho State Tax Commission,* 110 Idaho 572, 574-575 n.2, 716 P.2d 1344, 1346-1347 n.2 (Ct. App. 1986; *Albertson's Inc. v. State, Dept. of Revenue*, 106 Idaho 810, 814, 683 P.2d 846, 850 (1984). Petitioner has not met his burden. Therefore, the Tax Commission upholds the Bureau's calculation of Petitioner's Idaho income tax liability for tax years 2014, 2015, 2017, and 2020.

CONCLUSION

Based on the information available, the Tax Commission finds that Petitioner did not make a permanent and indefinite move from Idaho. Petitioner has been a resident of Idaho since 2011 and did not abandon his Idaho domicile or establish a new one. Therefore, the Tax Commission finds that Petitioner was domiciled in and a resident of Idaho during the years under review and as such, has a requirement to file Idaho income tax returns.

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 modified Notice dated August 4, 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
2014	$1,382	$346	$645	$2,373
2015	269	67	115	451
2017	1,135	284	405	1,824
2020	183	46	42	271
			TOTAL	$4,919

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 _______________________ 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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