

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 1-832-412-160
)	
Petitioner.)	DECISION
<hr style="width: 45%; margin-left: 0;"/>)	

(Petitioner) protested the Notice of Refund Determination (Notice) dated March 25, 2024. Petitioner disagreed with the Revenue Operations Division’s (Division) adjustment to the amount of Idaho withholding claimed on his 2023 return. The Idaho State Tax Commission (Tax Commission) reviewed the matter and hereby upholds the Notice for the reasons stated below.

BACKGROUND

Petitioner timely filed a non-resident 2023 Idaho individual income tax return. Through normal processing the Division found that the withholding Petitioner claimed on his return did not match Tax Commission records. The Division sent Petitioner a letter requesting documentation to verify the withholding shown on the return, but he did not respond. Therefore, the Division issued a Notice removing the withholding claimed on the return.

Petitioner protested the Notice, providing a copy of his W-2¹ along with a statement that the withholding shown on the return, \$1,808, is incorrect, and the amount should be \$903.89.

The Division acknowledged Petitioner’s protest and forwarded the case to the Tax Commission’s Appeals Unit (Appeals) for administrative review. Appeals reviewed the matter and reached out to Petitioner to explain the adjustment shown in the Notice. Petitioner requested time

¹ W-2 from _____ shows withholding of \$0 for Idaho and \$903.89 for Utah.

to review his tax information. Appeals scheduled a time to discuss the matter with Petitioner, but he did not keep the appointment or contact Appeals further. Appeals then sent a letter stating the methods available for redetermining the Notice. Petitioner did not respond. Therefore, the Tax Commission will decide the matter based on the information available.

LAW AND ANALYSIS

Idaho Code section 63-3002 states the intent of the Idaho legislature regarding the Idaho income tax act; to impose a tax on residents of Idaho measured by their income from sources wherever derived, and on nonresidents of Idaho measured by their income from sources derived within Idaho. Idaho Code section 63-3030 states that every nonresident individual that has gross income from sources in Idaho in excess of \$2,500 is required to file an Idaho income tax return.

Petitioner is clearly a Utah resident but based on the income documents he submitted; he had income from Idaho sources that exceeded \$2,500. Petitioner was required to file an Idaho income tax return, which he did. However, the return claimed Utah withholding. Petitioner provided no evidence to contradict the removal of the withholding claimed on his return. In fact, the information he did provide supports the Division's adjustment to his 2023 Idaho individual income tax return.

CONCLUSION

Petitioner filed as a nonresident of Idaho but included withholding paid to another state. Petitioner's employer attributed all wages to both Idaho and Utah, but only withheld for Utah. The Division's correction of Petitioner's 2023 Idaho income tax return is accurate.

THEREFORE, the Notice dated March 25, 2024, and directed to _____ is hereby
AFFIRMED and MADE FINAL.

IT IS ORDERED that Petitioner pay the following tax and interest calculated per Idaho Code Section 63-3045:

<u>YEAR</u>	<u>TAX</u>	<u>INTEREST</u>	<u>TOTAL</u>
2023	\$218	\$6	\$224

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 _____ 2024.

IDAHO STATE TAX COMMISSION

CERTIFICATE OF SERVICE

I hereby certify that on this _____ day of _____ 2024,
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.
