

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 1-885-979-648
)	
Petitioner.)	DECISION
<hr style="width: 45%; margin-left: 0;"/>)	

Taxpayer Accounting sent (Petitioner) a Notice of Refund Determination (Notice) for tax year 2021. Petitioner protested, and the case was transferred to the Tax Commission’s Appeals Unit (Appeals). The Tax Commission has reviewed the case and hereby upholds the Notice.

BACKGROUND

Petitioner files as a C-Corporation with a less than 100% Idaho apportionment factor. Petitioner filed their 2021 Idaho Form 41 Corporation Income Tax Return and claimed \$25,840 in estimated payments. Taxpayer Accounting did not have record for a portion of their payments, so they sent Petitioner a Notice adjusting their estimated payments and reducing their refund by \$2,428. Petitioner protested, agreeing with a portion of the adjustment, but contended the Tax Commission did not include a \$1,130 estimated payment in the Notice. Taxpayer Accounting acknowledged their protest and transferred the case to Appeals.

Appeals sent Petitioner correspondence attempting to explain the situation to them and their right to a hearing. Petitioner did not respond or request a hearing. With the information available, the Tax Commission hereby issues its decision.

ANALYSIS

Idaho Form 41 line 53 consists of estimated tax payments made throughout the year and refund roll forwards from previous years. In Petitioner’s case, the \$25,840 claimed on line 53

consisted of \$2,210 in refund roll forward from 2020, and \$23,630 in estimated payments made in 2021. Taxpayer Accounting reviewed the return filed, and determined the refund roll forward and estimated payment amounts were not correctly reported. Regarding the refund roll forward from 2020, an adjustment had been previously made on this return by Taxpayer Accounting, resulting in a reduction of refund from \$2,210 to \$912. This adjustment was made because Petitioner did not remit a portion of the estimated payments claimed on their return. Petitioner appears to agree with this adjustment.

Petitioner does not agree with the removal of \$1,130 in estimated payments for 2021. Petitioner's reasons for protest are quoted here: "There was an \$1,130 Q1 estimate was listed on the 2021 1120 but was apparently not counted by the Idaho State Tax Commission. We believe that perhaps this payment was not counted because the voucher sent in with the payment did not have an amount on it. Nevertheless, a \$1,130 check was included with the voucher, and should count as 2021 taxes paid. Proof of the check being paid has been attached to this correspondence. Please make the appropriate change to the account and send us correspondence with the update." Under further review, the \$1,130 was applied to the 2020 tax year instead of 2021. Even though the money was not applied to the year Petitioner wanted, the payment was received, and it was applied to their refund roll forward going into 2021.

CONCLUSION

Petitioner was sent a Notice adjusting both their estimated payments and refund roll forward into 2021. Appeals attempted multiple times to reach Petitioner, but with no response. The Tax Commission has reviewed the matter and believes the adjustments made by Taxpayer Accounting are correct and appropriate. Petitioner's refund roll forward going into 2022 will be reduced from \$11,697 to \$9,269.

THEREFORE, the Notice of Refund Determination dated March 10, 2023, is hereby APPROVED and MADE FINAL.

The Notice issued a reduction in refund, so no demand for payment is necessary.

An explanation of Petitioners' 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.
