

IDAHO STATE TAX COMMISSION

11321 Chinden Blvd., Building 2
Coral Conference Room – North
(208) 334-7500

APPEALS RESOLUTION MEETING

August 26, 2020

This meeting was set to render a final resolution for the appeals dockets indicated. These dockets were heard and discussed in accordance with Idaho Open Meeting Law.

Each individual appellant had an opportunity to provide information related to their case, including an informal hearing if requested.

The Appeals Resolution Meeting convened at 1:30 p.m. Guests were allowed to attend via telephone. Staff in attendance in the conference room or on Microsoft Teams were: Chairman Tom Harris, Commissioner Elliot Werk, Commissioner Janet Moyle, Commissioner Tom Katsilometes. Also in attendance were Michael Chakarun, Lisa Palmer, Frank Pinkney, Alan Pack, Jim Gunter, David Bettencourt, Andrea Madsen, Kim Wind, Janice Boyd, Phil Skinner, and Amber Kauffman.

To protect the confidentiality of taxpayer's tax and personal information, the Commission will not discuss this type of information in the public portion of this meeting. Likewise, the Tax Commission will not allow public comment at this meeting.

Business Requiring Vote of the Commission

Each Commissioner has had the opportunity to review the file for each docket on the agenda and ask questions of appeals staff prior to this meeting. Additionally, each Commissioner has a summary of each docket in their meeting folder. The Oversight Commissioner for each tax type will not vote to decide the outcome of those dockets.

- 1. a. Action Item:** Approve Amended Agenda Janet Moyle
Commissioner Katsilometes moved to approve the Amended Agenda for today's meeting. Commissioner Werk seconded the motion. All Commissioners voted in the affirmative and the Amended Agenda for August 26, 2020 was approved.

b. Action Item: Approve July 23, 2020 Minutes Janet Moyle
Commissioner Werk moved to approve the minutes of the Appeals Resolution Meeting held on July 23, 2020. Chairman Harris seconded the motion. All Commissioners voted in the affirmative and the minutes of the Appeals Resolution Meeting held July 23, 2020 were approved.
- 2. a. Action Item:** 0-568-018-944 Janet Moyle
David Bettencourt is the Tax Appeals Specialist that handled this case. Commissioner Moyle asked if there were any questions. Hearing none, Commissioner Moyle asked for a motion for the resolution of this case. Commissioner Werk moved to approve the recommendation of the oversight commissioner and staff to cancel the Notice for Docket Number 0-568-018-944.

Commissioner Katsilometes seconded the motion. A roll call vote was taken by Commissioner Moyle; all voted in favor and the motion was approved.

b. Action Item: 0-576-253-952

Janet Moyle

David Bettencourt is the Tax Appeals Specialist that handled this case. Commissioner Moyle asked if there were any questions. Hearing none, Commissioner Moyle asked for a motion for the resolution of this case. Commissioner Katsilometes moved to approve the recommendation of the oversight commissioner and staff to uphold the Notice for Docket Number 0-576-253-952. Chairman Harris seconded the motion. A roll call vote was taken by Commissioner Moyle; all voted in favor and the motion was approved.

c. Action Item: 0-765-756-416

Janet Moyle

Alan Pack is the Tax Appeals Specialist that handled this case. Commissioner Moyle asked if there were any questions. Hearing none, Commissioner Moyle asked for a motion for the resolution of this case. Commissioner Werk moved to approve the recommendation of the oversight commissioner and staff to modify the Notice to accept the actual returns but disallow the out of statute refunds for tax years 2011 through 2013, cancel the Notice for 2014, allow the refund for 2015 and modify penalty and interest for tax year 2016 for Docket Number 0-765-756-416. Commissioner Katsilometes seconded the motion. A roll call vote was taken by Commissioner Moyle; all voted in favor and the motion was approved.

d. Action Item: 0-309-643-264

Janet Moyle

Lisa Palmer is the Tax Appeals Specialist that handled this case. Commissioner Moyle asked if there were any questions. Hearing none, Commissioner Moyle asked for a motion for the resolution of this case. Chairman Harris moved to approve the recommendation of the oversight commissioner and staff to uphold the Notice for tax years 2016 through 2018 and update interest for Docket Number 0-309-643-264. Commissioner Katsilometes seconded the motion. A roll call vote was taken by Commissioner Moyle; all voted in favor and the motion was approved.

e. Action Item: 0-970-311-680

Janet Moyle

Jim Gunter is the Tax Appeals Specialist that handled this case. Commissioner Moyle asked if there were any questions. Hearing none, Commissioner Moyle asked for a motion for the resolution of this case. Commissioner Werk moved to approve the recommendation of the oversight commissioner and staff to uphold the Notice and update interest for Docket Number 0-970-311-680. Commissioner Katsilometes seconded the motion. A roll call vote was taken by Commissioner Moyle; all voted in favor and the motion was approved.

f. Action Item: 2-057-144-320

Janet Moyle

Lisa Palmer is the Tax Appeals Specialist that handled this case. Commissioner Moyle asked if there were any questions. Hearing none, Commissioner Moyle asked for a motion for the resolution of this case. Commissioner Katsilometes made a motion to approve the recommendation of the oversight commissioner and staff to uphold the Notice to deny the refund for Docket Number 2-057-144-320. Commissioner Werk seconded the motion. A roll call vote was taken by Commissioner Moyle; all voted in favor and the motion was approved.

- g. Action Item:** 0-344-279-040 Janet Moyle
Alan Pack is the Tax Appeals Specialist that handled this case. Commissioner Moyle asked if there were any questions. Chairman Harris moved to go into Executive Session citing Idaho Code section 74-206(1)(d) to consider records that are exempt from disclosure pursuant to Idaho Code section 74-104(1). A roll call vote was taken by Meredith Hodgson, all voted in favor and the motion was approved.

The Commission met in Executive Session pursuant to Idaho Code section 74-206(1)(d). No matters requiring a vote of the Commission resulted from the Executive Session.

Commissioner Moyle asked for a motion for the resolution of this case. Commissioner Katsilometes made a motion to approve the recommendation of the oversight commissioner and staff to uphold the Notice for tax years 2016 through 2018 and update interest for Docket Number 0-344-279-040. Commissioner Werk seconded the motion. A roll call vote was taken by Commissioner Moyle; all voted in favor and the motion was approved.

- h. Action Item:** 0-781-420-544 Janet Moyle
Lisa Palmer is the Tax Appeals Specialist that handled this case. Commissioner Moyle asked if there were any questions. Hearing none, Commissioner Moyle asked for a motion for the resolution of this case. Chairman Harris made a motion to approve the recommendation of the oversight commissioner and staff to uphold the Notice for tax year 2013 and update interest for Docket Number 0-781-420-544. Commissioner Werk seconded the motion. A roll call vote was taken by Commissioner Moyle; all voted in favor and the motion was approved.

- i. Action Item:** 0-374-982-656 Janet Moyle
David Bettencourt is the Tax Appeals Specialist that handled this case. Commissioner Moyle asked if there were any questions. Commissioner Werk moved to go into Executive Session citing Idaho Code section 74-206(1)(d) to consider records that are exempt from disclosure pursuant to Idaho Code section 74-104(1). A roll call vote was taken by Meredith Hodgson, all voted in favor and the motion was approved.

The Commission met in Executive Session pursuant to Idaho Code section 74-206(1)(d). No matters requiring a vote of the Commission resulted from the Executive Session.

Commissioner Moyle asked for a motion for the resolution of this case. Commissioner Werk made a motion to decline the settlement offer and make a counteroffer for Docket Number 0-374-982-656. Commissioner Katsilometes seconded the motion. A roll call vote was taken by Commissioner Moyle; all voted in favor and the motion was approved.

- j. Action Item:** 1-433-221-120 Janet Moyle
Frank Pinkney is the Tax Appeals Specialist that handled this case. Commissioner Moyle asked if there were any questions. Hearing none, Commissioner Moyle asked for a motion for the resolution of this case. Chairman Harris made a motion to approve the recommendation of the

oversight commissioner and staff to uphold the Notice and update interest for Docket Number 1-433-221-120. Commissioner Werk seconded the motion. A roll call vote was taken by Commissioner Moyle; all voted in favor and the motion was approved.

k. Action Item: 1-603-811-328

Janet Moyle

David Bettencourt is the Tax Appeals Specialist that handled this case. Commissioner Moyle asked if there were any questions. Hearing none, Commissioner Moyle asked for a motion for the resolution of this case. Commissioner Werk made a motion to approve the recommendation of the oversight commissioner and staff to uphold the Notice for Docket Number 1-603-811-328. Chairman Harris seconded the motion. A roll call vote was taken by Commissioner Moyle; all voted in favor and the motion was approved.

l. Action Item: 1-415-006-208

Janet Moyle

Jim Gunter is the Tax Appeals Specialist that handled this case. Commissioner Moyle asked if there were any questions. Commissioner Werk moved to go into Executive Session citing Idaho Code section 74-206(1)(d) to consider records that are exempt from disclosure pursuant to Idaho Code section 74-104(1). A roll call vote was taken by Meredith Hodgson, all voted in favor and the motion was approved.

The Commission met in Executive Session pursuant to Idaho Code section 74-206(1)(d). No matters requiring a vote of the Commission resulted from the Executive Session.

The Commission questioned the Agency's responsibility to make the taxpayer's claim for them. The tax attorneys replied that legally, it is not necessary to do so; however, the Agency does have an obligation to at least attempt to review the information provided, and they have done so.

Commissioner Werk moved to approve the recommendation of the oversight commissioner and staff to uphold the Notice as modified for the deductions identified by Audit and appeals staff and modify the penalty and interest as appropriate for Docket Number 1-415-006-208. Chairman Harris seconded the motion. A roll call vote was taken by Commissioner Moyle; all voted in favor and the motion was approved.

m. Action Item: 1-023-657-984

Janet Moyle

David Bettencourt is the Tax Appeals Specialist that handled this case. Commissioner Moyle asked if there were any questions. Hearing none, Commissioner Moyle asked for a motion for the resolution of this case. Commissioner Katsilometes made a motion to approve the recommendation of the oversight commissioner and staff to cancel the Notice for Docket Number 1-023-657-984. Commissioner Werk seconded the motion. A roll call vote was taken by Commissioner Moyle; all voted in favor and the motion was approved.

n. Action Item: 0-954-705-920

Janet Moyle

Frank Pinkney is the Tax Appeals Specialist that handled this case. Commissioner Moyle asked if there were any questions. Hearing none, Commissioner Moyle asked for a motion for the resolution of this case. Commissioner Werk made a motion to approve the recommendation of

the oversight commissioner and staff to modify the Notice and adjust penalty and interest accordingly for Docket Number 0-954-705-920. Commissioner Katsilometes seconded the motion. A roll call vote was taken by Commissioner Moyle; all voted in favor and the motion was approved.

o. Action Item: 1-731-127-296

Janet Moyle

Frank Pinkney is the Tax Appeals Specialist that handled this case. Commissioner Moyle asked if there were any questions. Hearing none, Commissioner Moyle asked for a motion for the resolution of this case. Chairman Harris made a motion to approve the recommendation of the oversight commissioner and staff to modify the Notice and adjust penalty and interest accordingly for Docket Number 1-731-127-296. Commissioner Katsilometes seconded the motion. A roll call vote was taken by Commissioner Moyle; all voted in favor and the motion was approved.

p. Action Item: 0-071-837-696

Janet Moyle

Lisa Palmer is the Tax Appeals Specialist that handled this case. Commissioner Moyle asked if there were any questions. Hearing none, Commissioner Moyle asked for a motion for the resolution of this case. Commissioner Werk made a motion to approve the recommendation of the oversight commissioner and staff to cancel the Notice for Docket Number 0-071-837-696. Chairman Harris seconded the motion. A roll call vote was taken by Commissioner Moyle; all voted in favor and the motion was approved.

The next two dockets are related. The first is:

q. Action Item: 0-587-253-760

Janet Moyle

Lisa Palmer is the Tax Appeals Specialist that handled this case. Commissioner Moyle asked if there were any questions. Hearing none, Commissioner Moyle asked for a motion for the resolution of this case. Commissioner Katsilometes made a motion to approve the recommendation of the oversight commissioner and staff to cancel the Notice for Docket Number 0-587-253-760. Commissioner Werk seconded the motion. A roll call vote was taken by Commissioner Moyle; all voted in favor and the motion was approved.

The second docket is:

r. Action Item: 0-871-548-928

Janet Moyle

Lisa Palmer is the Tax Appeals Specialist that handled this case. Commissioner Moyle asked if there were any questions. Hearing none, Commissioner Moyle asked for a motion for the resolution of this case. Chairman Harris made a motion to approve the recommendation of the oversight commissioner and staff to close the docket to allow Revenue Operations to process the Notice for Docket Number 0-871-548-928. Commissioner Katsilometes seconded the motion. A roll call vote was taken by Commissioner Moyle; all voted in favor and the motion was approved.

s. Action Item: 0-605-038-592

Janet Moyle

David Bettencourt is the Tax Appeals Specialist that handled this case. Commissioner Moyle asked if there were any questions. Hearing none, Commissioner Moyle asked for a motion for the resolution of this case. Commissioner Katsilometes made a motion to approve the

recommendation of the oversight commissioner and staff to uphold the Notice for Docket Number 0-605-038-592. Commissioner Werk seconded the motion. A roll call vote was taken by Commissioner Moyle; all voted in favor and the motion was approved.

t. Action Item: 1-756-940-288

Janet Moyle

Frank Pinkney is the Tax Appeals Specialist that handled this case. Commissioner Moyle asked if there were any questions. Hearing none, Commissioner Moyle asked for a motion for the resolution of this case. Chairman Harris made a motion to approve the recommendation of the oversight commissioner and staff to remove tax year 2014 and uphold the Notice for tax year 2015 and 2016 and update interest for Docket Number 1-756-940-288. Commissioner Werk seconded the motion. A roll call vote was taken by Commissioner Moyle; all voted in favor and the motion was approved.

u. Action Item: 0-199-825-408

Janet Moyle

Frank Pinkney is the Tax Appeals Specialist that handled this case. Commissioner Moyle asked if there were any questions. Hearing none, Commissioner Moyle asked for a motion for the resolution of this case. Commissioner Katsilometes made a motion to approve the recommendation of the oversight commissioner and staff to uphold the Notice for tax year 2015 through 2017 and update interest for Docket Number 0-199-825-408. Commissioner Werk seconded the motion. A roll call vote was taken by Commissioner Moyle; all voted in favor and the motion was approved.

v. Action Item: 1-580-873-728

Janet Moyle

Frank Pinkney is the Tax Appeals Specialist that handled this case. Commissioner Moyle asked if there were any questions. Hearing none, Commissioner Moyle asked for a motion for the resolution of this case. Commissioner Werk made a motion to approve the recommendation of the oversight commissioner and staff to uphold the Notice for tax year 2014 through 2017 and update interest for Docket Number 1-580-873-728. Commissioner Katsilometes seconded the motion. A roll call vote was taken by Commissioner Moyle; all voted in favor and the motion was approved.

w. Action Item: 0-529-057-792

Janet Moyle

Alan Pack is the Tax Appeals Specialist that handled this case. Commissioner Moyle asked if there were any questions. Hearing none, Commissioner Moyle asked for a motion for the resolution of this case. Commissioner Katsilometes made a motion to approve the recommendation of the oversight commissioner and staff to cancel the Notice for Docket Number 0-529-057-792. Commissioner Werk seconded the motion. A roll call vote was taken by Commissioner Moyle; all voted in favor and the motion was approved.

x. Action Item: 2-009-081-856

Jim Gunter is the Tax Appeals Specialist that handled this case. Commissioner Moyle asked if there were any questions. Hearing none, Commissioner Moyle asked for a motion for the resolution of this case. Chairman Harris made a motion to approve the recommendation of the oversight commissioner and staff to uphold the Notice for Docket Number 2-009-081-856. Commissioner

Werk seconded the motion. A roll call vote was taken by Commissioner Moyle; all voted in favor and the motion was approved.

The next two dockets are related to the docket just decided.

y. Action Item: 1-020-905-472

Janet Moyle

Jim Gunter is the Tax Appeals Specialist that handled this case. Commissioner Moyle asked if there were any questions. Hearing none, Commissioner Moyle asked for a motion for the resolution of this case. Commissioner Werk made a motion to approve the recommendation of the oversight commissioner and staff to uphold the Notice and adjust penalty and interest accordingly for Docket Number 1-020-905-472. Chairman Harris seconded the motion. A roll call vote was taken by Commissioner Moyle; all voted in favor and the motion was approved.

z. Action Item: 1-826-211-840

Janet Moyle

Jim Gunter is the Tax Appeals Specialist that handled this case. Commissioner Moyle asked if there were any questions. Hearing none, Commissioner Moyle asked for a motion for the resolution of this case. Chairman Harris made a motion to approve the appeals recommendation to uphold the Notice for Docket Number 1-826-211-840. Commissioner Katsilometes seconded the motion. A roll call vote was taken by Commissioner Moyle; all voted in favor and the motion was approved.

aa. Action Item: 0-171-493-376 & 1-245-235-200

Janet Moyle

Jim Gunter is the Tax Appeals Specialist that handled this case. Commissioner Moyle asked if there were any questions. Chairman Harris moved to go into Executive Session citing Idaho Code section 74-206(1)(d) to consider records that are exempt from disclosure pursuant to Idaho Code section 74-104(1). A roll call vote was taken by Meredith Hodgson, all voted in favor and the motion was approved.

The Commission met in Executive Session pursuant to Idaho Code section 74-206(1)(d). No matters requiring a vote of the Commission resulted from the Executive Session.

Commissioner Moyle asked for a motion for the resolution of this case. Commissioner Katsilometes made a motion to approve the recommendation of the oversight commissioner and staff to reject the settlement offer for Docket Numbers 0-171-493-376 & 1-245-235-200. Chairman Harris seconded the motion. A roll call vote was taken by Commissioner Moyle; all voted in favor and the motion was approved.

Commissioner Moyle adjourned the meeting at 2:30p.m.