

Letter of Findings: 01-20211075
Individual Income Tax
For Tax Year 2020

NOTICE: IC § 6-8.1-3-3.5 and IC § 4-22-7-7 require the publication of this document in the Indiana Register. This document provides the general public with information about the Indiana Department of Revenue's (the "Department") official position concerning a specific set of facts and issues. This document is effective on its date of publication and remains in effect until the date it is superseded or deleted by the publication of another document in the Indiana Register. The "Holding" section of this document is provided for the convenience of the reader and is not part of the analysis contained in this Letter of Findings.

HOLDING

Individual failed to provide documentation supporting his position that the Department's proposed assessment of additional Indiana individual income tax was incorrect for tax year 2020.

ISSUE

I. Individual Income Tax - Imposition.

Authority: IC § 6-8.1-5-1; *Scopelite v. Indiana Dep't of Local Gov't Fin.*, 939 N.E.2d 1138 (Ind. Tax Ct. 2010); *Wendt LLP v. Indiana Dep't of State Revenue*, 977 N.E.2d 480 (Ind. Tax Ct. 2011).

Taxpayer protests the imposition of Indiana individual income tax for tax year 2020.

STATEMENT OF FACTS

Taxpayer filed his 2020 Indiana tax return. During processing, the Indiana Department of Revenue ("Department") adjusted Taxpayer's return to match its records, which resulted in an assessment of individual income tax. The Department issued Taxpayer a proposed assessment for the tax liability plus penalty and interest. Taxpayer protested the assessment and requested resolution without a hearing. This Letter of Findings results. Additional facts will be provided as necessary.

I. Individual Income Tax - Imposition.

DISCUSSION

During processing, the Department made multiple adjustments to Taxpayer's 2020 Indiana tax return. This resulted in a tax liability. The Department assessed Taxpayer the amount of the liability plus penalty and interest. Taxpayer protested the assessment and waived his right to a hearing.

As a threshold issue, a notice of proposed assessment is prima facie evidence that the Department's claim for unpaid tax is valid. IC § 6-8.1-5-1(c). It is the taxpayer's burden to prove the proposed assessment is wrong. *Id.* The taxpayer is required to provide documentation explaining and supporting its challenge that the Department's position is wrong; poorly developed and non-cogent arguments are subject to waiver. *Scopelite v. Indiana Dep't of Local Gov't Fin.*, 939 N.E.2d 1138, 1145 (Ind. Tax Ct. 2010); *Wendt LLP v. Indiana Dep't of State Revenue*, 977 N.E.2d 480, 486 n. 9 (Ind. Tax Ct. 2011).

Taxpayer provided copies of the adjustments made by the Department, his Indiana Full-Year Resident Individual Income Tax Return, W2s, Form 1099-G related to unemployment income, and Form 1099-B (Proceeds From Broker and Barter Exchange Transactions).

The Department reviewed the information provided by Taxpayer. The Department attempted to contact Taxpayer via email and phone to request a copy of his federal tax return. The Department received no response. The Department then set a hearing to discuss the matter with Taxpayer and again request a copy of his federal tax return. Taxpayer did not participate in the hearing. At this point, the Department must resolve the protest based on the information available in the file.

Taxpayer has not provided sufficient information to prove the Department's assessment is wrong. Therefore,

Taxpayer's protest is denied. However, Taxpayer is encouraged to request a rehearing, participate in any scheduled hearing, and provide a copy of his 2020 federal income tax return and any other relevant documentation for review.

FINDING

Taxpayer's protest is denied.

March 7, 2022

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