

BEFORE THE STATE BOARD OF TAX APPEALS
STATE OF ARIZONA
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4 SANDRA L. SMITH,)
5 Appellant,) Docket No. 1865-01-I
6 vs.)
7 ARIZONA DEPARTMENT OF REVENUE,) NOTICE OF DECISION:
8 Appellee.) FINDINGS OF FACT AND
9) CONCLUSIONS OF LAW
10)

11 The State Board of Tax Appeals, having considered all evidence and arguments presented, and
12 having taken the matter under advisement, finds and concludes as follows:

13 FINDINGS OF FACT

14 Through an exchange of information agreement with the Internal Revenue Service ("IRS"), the
15 Arizona Department of Revenue (the "Department") learned that Sandra L. Smith ("Appellant"), an
16 Arizona resident, filed a 1998 federal individual income tax return but failed to report wages and pension
17 income earned for that tax year. Appellant timely filed a 1998 Arizona return and reported her federal
18 adjusted gross income as zero.

19 Subsequently, the Department issued a proposed assessment of additional income tax, penalties
20 and interest for tax year 1998. This assessment was based on wage and pension income as reported by
21 the IRS.

22 Appellant timely protested the assessment to the Department's hearing officer who upheld the
23 assessment. Appellant then protested the hearing officer's decision to the Director of the Department
24 who affirmed the hearing officer's decision. Appellant now timely appeals to this Board.

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