



ERNIE FLETCHER  
GOVERNOR

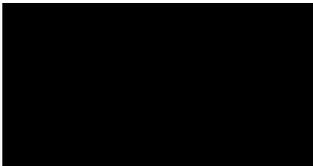
DEPARTMENT OF REVENUE  
FINANCE AND ADMINISTRATION CABINET  
200 FAIR OAKS LANE  
FRANKFORT, KENTUCKY 40620  
www.kentucky.gov

ROBBIE RUDOLPH  
SECRETARY

In the matter of:



Contact:



FINAL RULING NO. 2004-15  
June 9, 2004

Individual income tax assessment for  
Tax year 2000

**FINAL RULING**

The Kentucky Department of Revenue (successor to the Kentucky Revenue Cabinet; hereinafter the "Department") has issued an individual income tax assessment against you for taxable year 2000 totaling \$ [REDACTED] plus applicable interest and penalties. The following table provides a breakdown of the amount of tax due, all assessed fees and penalties, as well as accrued interest as of the date of this final ruling.

Tax Year	Tax Due	Interest	Penalties	Total
2000	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Totals	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

The Department obtained information from the Internal Revenue Service pursuant to Internal Revenue Code § 6103 and other applicable law. The information indicated that you had taxable income for the year 2000 and that you were a resident of Kentucky for that year. In addition, you filed a Kentucky Individual Income Tax Return, Form 740, for the year 2000

indicating you were a full-year resident of Kentucky. Although you reported no income on that return for the year 2000, you attached several Form W-2, Wage and Tax Statements, that reported substantial income to you for the year 2000. Based upon this information, the Department issued the individual income tax assessment described above. The penalties were assessed for failure to pay the tax due (KRS 131.180(2)).

In response to the assessment, you sent a letter, dated ██████████, 2003, to the Department requesting such things as:

1. The Tax Administration Coordination Agreement (contract) between the Internal Revenue Service and the Commonwealth (State) of Kentucky giving the State any taxing authority. . . .
3. The agreement (contract) between ██████████ or ██████████ and the Commonwealth (State) of Kentucky (proper) establishing Account No. ██████████ and ██████████.
4. The evidence that I established an account with the Commonwealth (State) of Kentucky for the payment of a particular tax and also showing the particular statute and it's (sic) implementing regulation.
5. The agreement (contract) between the Commonwealth (State) of Kentucky (proper) and ██████████ and ██████████ making us an withholding agent for the Commonwealth (State) of Kentucky.

The letter contained no information indicating you were not a Kentucky resident during the year 2000 or that you did not receive the income reported on your W-2 forms or as assessed by the Department.

KRS 141.020(1)(a) states, in part, as follows:

"An annual tax shall be paid for each taxable year by every resident individual of this state upon his entire net income as defined in this chapter..."

KRS 131.110(1) and (3) state in part, as follows:

- (1) The Revenue Cabinet shall mail to the taxpayer a notice of any tax assessed by it. The assessments shall be due and payable if not protested in writing to the cabinet within forty-five (45) days from the date of notice. The protest shall be accompanied by a supporting

statement setting forth the grounds upon which the protest is made...”

- (3) After considering the taxpayer’s protest, including any matters presented at the final conference, the cabinet shall issue a final ruling on any matter which may still be in controversy, which shall be mailed to the taxpayer...”

It is the opinion of the Department that the assessment of tax is authorized by the provisions of KRS Chapter 141 and supported by the information in the possession of the Department. The only response you have made to the assessment contains no information to indicate the assessment or the information in the Department’s possession is incorrect.

For the reasons provided above, the individual income tax assessment issued against you for taxable year 2000 is a valid liability due the Commonwealth of Kentucky. After reviewing your protest, and the applicable statutes and case law, this is the final ruling of the Department of Revenue.

#### **APPEAL**

You may appeal this ruling to the Kentucky Board of Tax Appeals pursuant to the provisions of KRS 131.110, KRS 131.340-131.365, 103 KAR 1:010 and 802 KAR 1:010. If you decide to appeal this ruling, you must file your complaint or petition of appeal with the Clerk, Kentucky Board of Tax Appeals, 128 Brighton Park Boulevard, Frankfort, Kentucky 40601, within thirty (30) days from the date of this letter. The rules of the Kentucky Board of Tax Appeals, which are set forth in 802 KAR 1:010, require that the complaint or petition of appeal must:

1. Be filed in quintuplicate;
2. Contain a brief statement of the law and facts in issue;
3. State the petitioner’s position regarding the law, facts or both; and
4. Include a copy of this final ruling letter with each copy of the complaint or petition.

Proceedings before the Kentucky Board of Tax Appeals are conducted in accordance with 103 KAR 1:010, 802 KAR 1:010 and KRS 131.340-131.365 and KRS Chapter 13B. Formal hearings are held by the Board concerning the tax appeals before it, with all testimony and proceedings officially reported. Legal representation of parties to appeals before the Board is governed by the following rules set forth in Section 2 (3) of 802 KAR 1:010:

1. An individual may represent himself in hearings before the Board;
2. An individual who is not an attorney may not represent any other individual, corporation, trust, estate, or partnership before the Board; and

3. An attorney who is not licensed to practice in Kentucky may practice before the Board if he complies with Rule 3.030(2) of the Rules of the Kentucky Supreme Court.

You will be notified by the Clerk of the Board of the date and time set for any hearing.

Sincerely,  
FINANCE AND ADMINISTRATION CABINET



GEORGE D. RENFRO  
Assistant Director  
Division of Protest Resolution

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED