

**Letter of Findings Number: 05-0431  
Sales Tax for 1996 through 2004**

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**ISSUE****I. Sales Tax—Underreported taxable sales**

**Authority:** [IC 6-8.1-5-1\(b\)](#).

Taxpayer protests the imposition of sales tax liability.

**STATEMENT OF FACTS**

The taxpayer is a retailer of office supplies and equipment to commercial businesses and individuals in the local and regional area. An investigation for sales tax was conducted by the Department of Revenue (Department) for the period from January 1, 1996, through December 31, 2004. The investigation concluded that not all sales income was reported and that some sales tax was collected by taxpayer, but there is no evidence that it was ever paid to the state. An assessment was made based on this information, and taxpayer protested that documentation was available to demonstrate both payment of sales tax and that some of the projected assessments were overstated. The initial protest was made on October 2<sup>nd</sup>, 2005, and despite repeated requests by the Department no documentation was provided by May 11<sup>th</sup>, 2006, the date of the scheduled hearing's conclusion. This letter of findings was then prepared based on the information in the file.

**I. Sales Tax—Underreported taxable sales****DISCUSSION**

All tax assessments are presumed to be accurate; the taxpayer bears the burden of proving that an assessment is incorrect [IC 6-8.1-5-1\(b\)](#). The Department issued an investigative report on June 3<sup>rd</sup>, 2005. On October 2<sup>nd</sup>, 2005, Taxpayer submitted a protest of the assessment and offered to provide documentation in support of taxpayer's position. The file was forwarded to Protest Review and ultimately to a hearing officer in the legal division. The legal division contacted Taxpayer and set a hearing to hear Taxpayer's protest to the assessment. After eight month's Taxpayer has not provided documentation to the Department. The assessment stands as issued; Taxpayer has not provided any documentation to rebut the investigation's assessment.

**FINDING**

For the reasons stated above, Taxpayer's protest is denied.

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