

Supplemental Letter of Findings Number: 08-0027
Corporate Income Tax
For the Tax Years 2004 and 2005

NOTICE: Under [IC 4-22-7-7](#), this document is required to be published in the Indiana Register and is effective on its date of publication. It shall remain in effect until the date it is superseded or deleted by the publication of a new document in the Indiana Register. The publication of this document will provide the general public with information about the Department's official position concerning a specific issue.

I. Adjusted Gross Income Tax—Best Information Available (BIA).

Authority: IC § 6-8.1-5-1; [45 IAC 15-5-1](#).

Taxpayer protests the imposition of corporate income tax.

STATEMENT OF FACTS

Taxpayer is a foreign corporation. Taxpayer is a supplier of products and a provider of engineering and production services for both the manufacturers of automobiles and automobile parts and third party suppliers of those manufacturers. Pursuant to an investigation, the Indiana Department of Revenue (Department) assessed corporate income tax, failure to file penalties, and interest for the 2004 and 2005 tax years. The Department found that Taxpayer had sufficient nexus with Indiana to subject Taxpayer to Indiana corporate income taxes for the 2004 and 2005 tax years. During the investigation, the Department sent Taxpayer multiple requests to submit Indiana adjusted gross income tax returns for the tax periods 2004 and 2005. Since Taxpayer declined to file returns and make its books and records available to the Department, the Department made assessments based upon the best information available to the Department. An administrative hearing was held, and a Letter of Findings ("LOF") was issued denying Taxpayer's protest on the issues of Taxpayer's Indiana nexus and the Department's investigation method. Taxpayer requested and was granted a rehearing. A rehearing was held, and this Supplemental Letter of Findings results.

I. Adjusted Gross Income Tax— Best Information Available (BIA).

DISCUSSION

Pursuant to IC § 6-8.1-5-1(c), all tax assessments are presumed accurate, and the taxpayer bears the burden of proving that an assessment is incorrect.

The Department found that Taxpayer had sufficient nexus with Indiana to subject Taxpayer to Indiana corporate income taxes for the 2004 and 2005 tax years and issued assessments based upon the best information available to the Department as prescribed by [45 IAC 15-5-1](#).

During the rehearing process, Taxpayer submitted Indiana adjusted gross income tax returns for the 2004 and 2005 tax years and requested that the returns be considered to replace the BIA assessments. Therefore, the returns will be submitted for audit.

FINDING

Taxpayer's protest is granted in part subject to the results of an audit of Taxpayer's returns.

Posted: 01/28/2009 by Legislative Services Agency

An [html](#) version of this document.