

**Letter of Findings Number: 09-0361
Individual Income Tax
For the Tax Years 2006 and 2007**

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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 individual income tax.

STATEMENT OF FACTS

Taxpayer is a sole proprietor providing heating and cooling services. Pursuant to an investigation, the Indiana Department of Revenue ("Department") assessed adjusted gross income tax, penalties, and interest for the 2006 and 2007 tax years. The Department found that Taxpayer had failed to report certain Form 1099 non-employee income. During the investigation, the Department sent Taxpayer multiple requests to make its books and records available to the Department. Since Taxpayer declined to make its books and records available, the Department made assessments based upon the best information available ("BIA") to the Department. An administrative hearing was held, and this 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 failed to report certain Form 1099 non-employee income for the 2006 and 2007 tax years and issued assessments based upon the best information available to the Department as prescribed by [45 IAC 15-5-1](#).

During the hearing process, Taxpayer submitted 2006 and 2007 Indiana adjusted gross income tax returns, Federal income tax returns, and various documents to support its expenses and income items. Taxpayer has requested that the returns and supporting documentation be considered to replace the BIA assessments. Therefore, the returns and documentation will be submitted for audit.

FINDING

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

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