

**Letter of Findings: 01-20160249  
Individual Income Tax  
For the Year 2014**

**NOTICE:** IC § 6-8.1-3-3.5 and IC § 4-22-7-7 require the publication of this document in the Indiana Register. This document provides the general public with information about the Department's official position concerning a specific set of facts and issues. This document is effective on its date of publication and remains in effect until the date it is superseded or deleted by the publication of another document in the Indiana Register. The "Holding" section of this document is provided for the convenience of the reader and is not part of the analysis contained in this Letter of Findings.

### **HOLDING**

Individual income taxpayer was required to include his dependents' Social Security numbers on his 2014 Indiana income in order to claim the dependent exemptions; the Department was authorized under Indiana law to require Individual to provide the Social Security numbers and declined to address Individual's constitutional claims.

### **ISSUE**

#### **I. Individual Income Tax - Dependents' Social Security Number Identification.**

**Authority:** Ind. Const. art. 1, § 2; Ind. Const. art. 1, § 3; Ind. Const. art. 1, § 23; IC § 4-1-8-1(a); IC § 4-1-8-1(a)(1); IC § 6-8.1-5-1(c); Indiana Dep't of State Revenue v. Rent-A-Center East, Inc., 963 N.E.2d 463 (Ind. 2012); Lafayette Square Amoco, Inc. v. Indiana Dep't of State Revenue, 867 N.E.2d 289 (Ind. Tax Ct. 2007). Letter of Findings 01-20130357 (July 19, 2013); Supplemental Letter of Findings 01-20130357 (October 31, 2013); Letter of Findings 01-20140575 (January 2, 2015).

Taxpayer argues that he is not required to identify the dependents claimed on his individual income tax return by the dependents' Social Security numbers.

### **STATEMENT OF FACTS**

Taxpayer is an Indiana individual who filed a 2014 Indiana income tax return. On that return, Taxpayer claimed an exemption for three dependent children. The Indiana Department of Revenue ("Department") disallowed the exemptions purportedly on the ground that Taxpayer did not provide the Social Security number of the three children.

Taxpayer disagreed with the Department's decision and submitted a protest to that effect. An administrative hearing was conducted during which Taxpayer explained the basis for his protest. This Letter of Findings results.

#### **I. Individual Income Tax - Dependents' Social Security Number Identification.**

### **DISCUSSION**

Taxpayer argues that the Department acted outside its authority by requiring him to report the Social Security numbers of his children. According to Taxpayer, the state of Indiana does not have statutory authority to require anyone to apply for, possess, or report a Social Security number.

Since the Department's decision denying that his children qualified as "dependents" resulted in the assessment of additional tax, it is the Taxpayer's responsibility to establish that the tax assessment is incorrect. As stated in IC § 6-8.1-5-1(c), "The notice of proposed assessment is prima facie evidence that the department's claim for the unpaid tax is valid. The burden of proving that the proposed assessment is wrong rests with the person against whom the proposed assessment is made." Indiana Dep't of State Revenue v. Rent-A-Center East, Inc., 963 N.E.2d 463, 466 (Ind. 2012); Lafayette Square Amoco, Inc. v. Indiana Dep't of State Revenue, 867 N.E.2d 289, 292 (Ind. Tax Ct. 2007).

Taxpayer points out that Indiana law prohibits state agencies from requiring individuals to provide Social Security Numbers. IC § 4-1-8-1(a) states in part as follows:

No individual may be compelled by any state agency, board, commission, department, bureau, or other entity of state government (referred to as "state agency" in this chapter) to provide the individual's Social Security Number to the state agency against the individual's will, absent federal requirements to the contrary. However, the provisions of this chapter do not apply to the following:  
(1) Department of state revenue. (Emphasis added).

IC § 4-1-8-1(a)(1) provides an exception to the general rule and specifically authorizes the Department to require Social Security Numbers.

However, Taxpayer argues that his children do not have Social Security Numbers and that the Department is without authority to require his children obtain them. Essentially, Taxpayer maintains that although the Department may have authority to "request" a Social Security Number, it does not have authority to "require" Social Security Numbers.

In addition, Taxpayer argues that requiring a dependent's Social Security Number violates his - or his children's - rights under the Indiana Constitution. Taxpayer cites to Ind. Const. art. 1, § 23 which states:

The General Assembly shall not grant to any citizen, or class of citizens, privileges or immunities, which, upon the same terms, shall not equally belong to all citizens.

Taxpayer concludes that the Department is granting to one class of citizens - those who provide Social Security Numbers on their tax returns - a benefit that is not available to those persons who do not possess or do not provide the Social Security Number.

Taxpayer maintains that his religious beliefs preclude him from obtaining, possessing, or reporting Social Security Numbers.

Taxpayer cites to Ind. Const. art. 1, § 2 which states:

All people shall be secure in the natural right to worship ALMIGHTY GOD, according to the dictates of their own conscience.

Taxpayer also cites to Ind. Const. art 1, § 3 which states:

No law shall, in any case whatever, control the free exercise and enjoyment of religious opinions, or interfere with the rights of conscience.

Taxpayer protests that the Department's adjustments to his adjusted gross income tax return violate these provisions of the Indiana Constitution. However deeply felt Taxpayer's convictions, the administrative hearing is not the appropriate venue in which to challenge the constitutionality of the Department's exercise of a routine administrative function clearly permitted under IC § 4-1-8-1(a)(1).

I [*sic, In*] addition, the Department points out that Taxpayer has himself raised the identical issue on at least three different occasions and that each time the Department has responded in an identical fashion. Letter of Findings 01-20130357 (July 19, 2013), 20130925 Ind. Reg. 045130425NRA; Supplemental Letter of Findings 01-20130357 (October 31, 2013); Letter of Findings 01-20140575 (January 2, 2015), [20150325-IR-045150064NRA](#).

## FINDING

Taxpayer's protest is respectfully denied.

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