

**Letter of Findings: 02-20231318**  
**Indiana Corporate Income Tax**  
**For the 2020 Tax Year**

**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 This document is effective on its date of publication and remains in effect until the date it is superseded or deleted by the publication of another document in the Indiana Register.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

Corporation failed to provide evidence that it timely filed a tax return or that the Department's assessment was incorrect.

### ISSUE

#### I. Indiana Corporate Income Tax - Documentation.

**Authority:** [IC 6-8.1-5-1](#); *Dept. of State Revenue v. Caterpillar, Inc.*, 15 N.E.3d 579 (Ind. 2014); *Indiana Dept. of State Revenue v. Rent-A-Center East, Inc.*, 963 N.E.2d 463 (Ind. 2012); *Lafayette Square Amoco, Inc. v. Indiana Dept. of State Revenue*, 867 N.E.2d 289 (Ind. Tax Ct. 2007).

Taxpayer argues that it timely submitted a Form IT-20 corporate income tax return and, because of this, the Indiana Department of Revenue ("Department") erred in assessing tax based on its estimated returns.

### STATEMENT OF FACTS

Taxpayer is a company located outside of Indiana which conducts business in Indiana and is required to file Indiana corporate income tax returns. The Department did not receive Taxpayer's IT-20 for the 2020 tax year and performed a compliance audit. Based on this audit, the Department issued an assessment based on estimated returns created using the best information available. Taxpayer claims that it did, in fact, file an Indiana tax return in 2020 and protested the assessment, waiving its right to an administrative hearing. This Letter of Findings results from a review of documents submitted with the protest. Any additional facts will be provided as necessary.

#### I. Indiana Corporate Income Tax - Documentation.

### DISCUSSION

Taxpayer states that it timely submitted its 2020 Form IT-20 and submitted with its protest a copy of a 2020 Form IT-20 and a letter from its accountant. For the tax year at issue, Taxpayer claimed a loss in Indiana and that no tax was owed.

As a threshold issue, it is the Taxpayer's responsibility to establish that the corporate tax assessments are 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 Dept. of State Revenue v. Rent-A-Center East, Inc.*, 963 N.E.2d 463, 466 (Ind. 2012); *Lafayette Square Amoco, Inc. v. Indiana Dept. of State Revenue*, 867 N.E.2d 289, 292 (Ind. Tax Ct. 2007).

With that threshold burden in mind, a taxpayer is required to provide documentation explaining and supporting his or her challenge that the Department's position is wrong. Further, "[w]hen [courts] examine a statute that an agency is 'charged with enforcing . . . [courts] defer to the agency's reasonable interpretation of [the] statute even over an equally reasonable interpretation by another party.'" *Dept. of State Revenue v. Caterpillar, Inc.*, 15 N.E.3d 579, 583 (Ind. 2014). Thus, interpretations of Indiana tax law contained within this decision, as well as the preceding audit, shall be entitled to deference.

Taxpayer claims that it timely filed its tax return but did not provide any proof of mailing or submission. The letter

from Taxpayer's accountant states:

To document the timely filing of your tax return(s), we suggest that you obtain and retain proof of mailing. Proof of mailing can be accomplished by sending the tax return(s) by registered or certified mail (metered by the U.S. Postal Service) or through the use of an IRS approved delivery method provided by an IRS designated private delivery service.

Taxpayer did not provide any proof of mailing its 2020 Indiana corporate tax return with its protest. Moreover, Taxpayer provided a Form IT-20 with its protest but provided no evidence that this return was more accurate than the estimated returns from the Department. [IC 6-8.1-5-1](#)(b) authorizes the Department to make a proposed assessment based on the best information available if it reasonably believes that the proper amount of tax due is not reported. Without information from the Taxpayer demonstrating otherwise, the Department's prima facie evidence has not been contradicted. Taxpayer therefore failed to meet its burden under [IC 6-8.1-5-1](#).

### FINDING

Taxpayer's protest is denied.

May 8, 2023

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