

07-0716
Sales Tax / Interest
Signed 08/27/2007

BEFORE THE UTAH STATE TAX COMMISSION

<p>PETITIONER,</p> <p style="padding-left: 40px;">Petitioner,</p> <p>vs.</p> <p>TAXPAYER SERVICES DIVISION, UTAH STATE TAX COMMISSION,</p> <p style="padding-left: 40px;">Respondent.</p>	<p>ORDER</p> <p>Appeal No. 07-0716</p> <p>Tax Type: Sales Tax / Interest Account No. ##### Tax Period: 07/06 – 09/06</p> <p>Judge: Robinson</p>
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Presiding:

R. Spencer Robinson, Administrative Law Judge

Appearances:

For Petitioner: PETITIONER REPRESENTATIVE, Comptroller

For Respondent: RESPONDENT REPRESENTATIVE, from the Taxpayer Services Division

STATEMENT OF THE CASE

This matter came before the Commission for an Initial Hearing in accordance with Utah Code Ann. §59-1-502.5 on August 23, 2007. This appeal arises from the Division's assessment of interest on a late filed return. Because of the circumstances, Respondent waived the penalty. Petitioner requests the waiver of the interest.

Petitioner electronically filed its sales tax return on the Commission's website. The filing was timely. Petitioner received a confirmation number. However, the payment did not go through. Petitioner said no one knew why it had not gone through.

At the hearing, RESPONDENT REPRESENTATIVE asked Petitioner about its routing number and bank account number. The bank account number used was missing two digits at the

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end. The system rejected the filing because it could not locate the account. RESPONDENT REPRESENTATIVE could find no error at the Commission.

Respondent sent notice to the Petitioner that the payment had not been made. Petitioner checked. The funds were still in Petitioner's bank. As soon as Petitioner learned the payment had not gone through, it submitted the payment.

APPLICABLE LAW

The Tax Commission is granted the authority to waive, reduce, or compromise penalties and interest upon a showing of reasonable cause. Utah Code Ann. §59-1-401(11).

DISCUSSION

The Commission's system issued a confirmation number. Petitioner relied on that, assuming its payment had been accepted. Petitioner has established reasonable cause for a waiver of the interest.

DECISION AND ORDER

Based upon the foregoing, the Commission waives the assessment of interest. It is so ordered.

This decision does not limit a party's right to a Formal Hearing. However, this Decision and Order will become the Final Decision and Order of the Commission unless any party to this case files a written request within thirty (30) days of the date of this decision to proceed to a Formal Hearing. Such a request shall be mailed to the address listed below and must include the Petitioner's name, address, and appeal number:

Utah State Tax Commission
Appeals Division
210 North 1950 West

Appeal No. 07-0716

Salt Lake City, Utah 84134

Failure to request a Formal Hearing will preclude any further appeal rights in this matter.

DATED this _____ day of _____, 2007.

R. Spencer Robinson
Administrative Law Judge

BY ORDER OF THE UTAH STATE TAX COMMISSION:

The Commission has reviewed this case and the undersigned concur in this decision.

DATED this _____ day of _____, 2007.

Pam Hendrickson
Commission Chair

R. Bruce Johnson
Commissioner

Marc B. Johnson
Commissioner

D'Arcy Dixon Pignanelli
Commissioner

Notice: If the Petitioner does not request a Formal Hearing within the thirty-days as discussed above, failure to pay the amount of deficiency that results from this order may result in an additional penalty.

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