

**OFFICE OF TAX APPEALS  
STATE OF CALIFORNIA**

In the Matter of the Appeal of:  
**M. COFFELT**

) OTA Case No. 21129198  
)  
)  
)  
)  
)

**OPINION**

Representing the Parties:

For Appellant: M. Coffelt

For Respondent: Noel Garcia, Tax Counsel

J. LAMBERT, Administrative Law Judge: Pursuant to Revenue and Taxation Code (R&TC) section 19324, M. Coffelt (appellant) appeals an action by respondent Franchise Tax Board (FTB) denying appellant’s claims for refund of \$431 for the 2015 tax year and \$422 for the 2016 tax year.

Appellant elected to have this appeal determined pursuant to the procedures of the Small Case Program. Those procedures require the assignment of a single administrative law judge. (Cal. Code Regs., tit. 18, § 30209.1.) Appellant waived the right to an oral hearing; therefore, the matter is being decided based on the written record.

**ISSUE**

Whether appellant’s claims for refund are barred by the statute of limitations.

**FACTUAL FINDINGS**

1. Appellant untimely filed her 2015 and 2016 California income tax returns on August 15, 2021. On the returns, appellant reported payments from withholdings resulting in overpayments of tax in the amounts of \$431 for 2015 and \$422 for 2016, which she requested to be refunded.
2. FTB treated the returns as claims for refund and denied the refund claims based on the expiration of the statute of limitations.

3. This timely appeal followed.

### DISCUSSION

No credit or refund shall be allowed unless a claim for refund is filed within the later of: (1) four years from the date the return was filed, if the return was timely filed pursuant to an extension of time to file; (2) four years from the original due date for filing a return for the tax year at issue (determined without regard to any extension of time to file), or (3) one year from the date of overpayment. (R&TC, § 19306(a).) A taxpayer bears the burden of proving entitlement to a refund claim. (*Appeal of Jali, LLC*, 2019-OTA-204P.)

The law does not provide for the waiver of the statutory period based on reasonable cause. A taxpayer's failure, for whatever reason, to file a claim for refund or credit within the statutory period prevents the taxpayer from doing so at a later date. (*Appeal of Khan*, 2020-OTA-126P.) This is true even when it is later shown that the tax was not owed in the first instance. (See *United States v. Dalm* (1990) 494 U.S. 596, 602.) Moreover, fixed deadlines may appear harsh because they can be missed; however, the resulting occasional harshness is redeemed by the clarity imparted. (*Prussner v. United States* (7th Cir. 1990) 896 F.2d 218, 222-223.)

Due to the Covid-19 State of Emergency, for those refund claims expiring during the period of March 12, 2020, through July 15, 2020 (postponement period), under the four-year statute of limitations, the claim is considered timely if filed on or before July 15, 2020. (See FTB Notice 2020-02.) For purposes of claiming a refund within one year of an overpayment, the look-back period applies to payments made within one year of the actual expiration of the statute of limitations, but if that date expired during the postponement period, the claim for refund is timely if the individual taxpayer filed the claim on or before July 15, 2020. (*Ibid.*)

For those refund claims due by April 15, 2021, under the four-year statute of limitations, the claim is considered timely if the individual taxpayer filed the claim on or before the extension date of May 17, 2021.<sup>1</sup> For purposes of claiming a refund within one year of an overpayment, the look-back period applies to payments made within one year of the actual

---

<sup>1</sup> <https://www.ftb.ca.gov/about-ftb/newsroom/news-releases/2021-04-state-postpones-deadline-for-claiming-2016-tax-refunds-to-may-17-2021.html>.

expiration of the statute of limitations, but if that date expired on April 15, 2021, the claim for refund is considered timely if the individual taxpayer filed the claim on or before May 17, 2021.<sup>2</sup>

Pursuant to R&TC section 19316, the time for filing a claim for refund may be extended, if a taxpayer is “financially disabled,” as defined by that provision. The running of the period for filing a claim for refund is suspended if: (1) “an individual taxpayer is unable to manage his or her financial affairs by reason of a medically determinable physical or mental impairment that is either deemed to be a terminal impairment or is expected to last for a continuous period of not less than 12 months”; and (2) there is no spouse or other legally authorized person who can act on the taxpayer’s behalf in financial matters. (R&TC, § 19316(b)(1)-(2).)

Appellant filed her 2015 and 2016 claims for refund, i.e., her 2015 and 2016 returns, on August 15, 2021, which is beyond the dates for filing timely claims for refund under the four-year and one-year statute of limitations. The four-year statute of limitations for appellant’s 2015 and 2016 refund claims expired on July 15, 2020, and May 17, 2021, respectively, and appellant filed her claims for refund beyond those dates on August 15, 2021. As to the one-year statute of limitations, appellant’s only tax payments are withholdings reported on her 2015 and 2016 returns. For statute of limitation purposes under R&TC section 19306, the payments for 2015 and 2016 are considered to have been paid as of the original due dates of the returns on April 15, 2016, and April 15, 2017, respectively. (R&TC, § 19002(c); see also *Appeal of Jacqueline Mairghread Patterson Trust*, 2021-OTA-187P.) The one-year statutes of limitations for 2015 and 2016 expired on April 15, 2017, and April 15, 2018, respectively, which are one year after the dates of the payments.

Appellant provides no argument or evidence as to her reason for failing to timely file the claims for refund that would qualify for suspending the statute of limitations due to appellant being “financially disabled,” pursuant to R&TC section 19316. Appellant asserts that she is unemployed and that she intended to use the refunds to offset safety-related vehicle costs. However, as discussed in the case law above, such circumstances are not a basis for waiving the statute of limitations. Therefore, appellant has not shown that the claims for refund are timely.

---


<sup>2</sup> <https://www.ftb.ca.gov/about-ftb/newsroom/2020-tax-year-extension-to-file-and-pay-individual.html>.

HOLDING

Appellant’s claims for refund are barred by the statute of limitations.

DISPOSITION

FTB properly denied appellant’s refund claims.

DocuSigned by:  
  
CB1F7DA37831416...  
\_\_\_\_\_  
Josh Lambert  
Administrative Law Judge

Date Issued: 5/23/2022