

**OFFICE OF TAX APPEALS**  
**STATE OF CALIFORNIA**

In the Matter of the Appeal of: ) OTA Case No. 230613489  
L. ESTEPA AND )  
F. ESTEPA (DEC'D) )  
\_\_\_\_\_ )

**OPINION**

Representing the Parties:

For Appellants: L. Estepa

For Respondent: Caitlin S. Russo, Legal Assistant

For Office of Tax Appeals: Nguyen Dang, Attorney

J. LAMBERT, Administrative Law Judge: Pursuant to Revenue and Taxation Code (R&TC) section 19324, L. Estepa and F. Estepa (appellants) appeal an action by the Franchise Tax Board (respondent) denying appellants' claim for refund of \$1,715 for the 2017 tax year.

Appellants waived the right to an oral hearing; therefore, the matter is being decided based on the written record.

**ISSUE**

Whether appellants are entitled to a refund of their overpayment for the 2017 tax year.

**FACTUAL FINDINGS**

1. On February 6, 2023, appellants late-filed their joint 2017 California Resident Income Tax Return (Return) reporting an overpayment and claiming a refund of \$1,715.
2. Respondent accepted the Return as filed but did not credit or refund appellants' overpayment because it determined that appellants' refund claim was untimely.
3. On February 15, 2023, respondent issued a notice to appellants informing them that their refund claim had been denied.
4. This timely appeal followed.

### DISCUSSION

Appellants do not dispute that their refund claim was untimely filed.<sup>1</sup> However, they argue that their overpayment for the 2017 tax year should be refunded because appellant F. Estepa, who did not reside with appellant L. Estepa and passed away on November 21, 2020, had changed appellants' mailing address for communication with respondent to a P.O. Box belonging to appellant F. Estepa's parents. Appellants contend that consequently, appellant L. Estepa did not receive any correspondence from respondent for several years, and she was therefore unaware that the Return had not been timely filed.

While the Office of Tax Appeals (OTA) is sympathetic to the situation that appellants describe, there is no legal basis for granting their refund claim on these grounds. The statute of limitations for filing a refund claim must be strictly construed, meaning that except in very limited situations which are not present here,<sup>2</sup> a taxpayer's untimely filing of a refund claim for *any reason* bars a refund. (*Appeal of Benemi Partners, L.P.*, 2020-OTA-144P.) "Although the result of fixed deadlines may appear harsh, the occasional harshness is redeemed by the clarity imparted." (*Ibid.*)

Accordingly, OTA finds that respondent's denial of appellants' refund claim was proper.

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<sup>1</sup> The law generally requires that taxpayers file their refund claims by the later of: (1) four years from the date the return is filed, if filed on or before the extended due date; (2) four years from the due date of the return without regard to any extensions; or (3) one year from the date of overpayment. (R&TC, § 19306(a).)

<sup>2</sup> For instance, R&TC section 19316 suspends the statute of limitations where the 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.

HOLDING

Appellants are not entitled to a refund of their overpayment for the 2017 tax year.

DISPOSITION

Respondent’s action denying appellants’ claim for refund is sustained.

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*Josh Lambert*  
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Josh Lambert  
Administrative Law Judge

We concur:

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*Asaf Kletter*  
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Asaf Kletter  
Administrative Law Judge

DocuSigned by:  
*Veronica Long*  
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Veronica I. Long  
Administrative Law Judge

Date Issued: 6/5/2024