

**OFFICE OF TAX APPEALS
STATE OF CALIFORNIA**

In the Matter of the Appeal of:)	OTA Case No. 240315538
A. CROSBY)	
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OPINION

Representing the Parties:

For Appellant:	A. Crosby
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For Respondent:	Ganeet Atwaal, Staff Services Analyst
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E. PARKER, Hearing Officer: Pursuant to Revenue and Taxation Code (R&TC) section 19324, A. Crosby (appellant) appeals an action by respondent Franchise Tax Board (FTB) denying appellant's claim for refund of \$3,167 for the 2018 tax year.

Appellant waived the right to an oral hearing; therefore, the matter was submitted to the Office of Tax Appeals (OTA) on the written record pursuant to California Code of Regulations, title 18, section 30209(a).

ISSUE

Whether appellant's claim for refund is barred by the statute of limitations.

FACTUAL FINDINGS

1. On December 4, 2023, appellant untimely filed a California Resident Income Tax Return for the 2018 tax year reporting total tax of \$2,336, California income tax withholding of \$5,503, and an overpayment of \$3,167, which appellant requested to be refunded.
2. FTB accepted the return and treated it as a claim for refund.
3. On December 18, 2023, FTB denied the claim for refund due to the expiration of the statute of limitations.
4. Appellant timely filed this appeal.

DISCUSSION

Generally, no credit or refund shall be allowed or made 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 last date prescribed for filing a return for the 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).) The taxpayer has the burden of proof in showing entitlement to a refund and that the claim is timely. (*Appeal of Benemi Partners, L.P.*, 2020-OTA-144P.)

Appellant does not dispute that the December 4, 2023 claim for refund was filed outside of the statute of limitations prescribed in R&TC section 19306(a). Rather, appellant provides a compelling narrative of an unfortunate series of events that “clouded” appellant’s mind, “causing [appellant] to forget to file.” Appellant also states she was unaware of the deadline to request a refund of the overpayment. Lastly, appellant provides statistics regarding the overall fiscal state of California and asserts that a refund of appellant’s overpayment “wouldn’t matter” in comparison to the state’s revenue. However, appellant provides no evidence or citation of law that provides a legal basis upon which a claim for refund filed outside of the statute of limitations under the circumstances described may be granted.

While OTA is sympathetic to the circumstances appellant describes, OTA lacks the authority to grant appellant’s untimely claim for refund. The language of the statute of limitations is explicit and must be strictly construed. (*Appeal of Benemi Partners, L.P., supra.*) The law does not provide an equitable or reasonable cause exception to the statute of limitations to file a claim for refund. (*Ibid.*) Except in very limited situations which are not shown here,¹ a taxpayer’s untimely filing of a claim for refund for any reason bars a refund. (*Ibid.*) Although the result of fixed deadlines may appear harsh, the occasional harshness is redeemed by the clarity imparted. (*Ibid.*) Therefore, appellant’s claim for refund for the 2018 tax year is barred by the statute of limitations.

¹ For example, R&TC section 19316 suspends the running of the statute of limitations during any period 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. On appeal, appellant does not provide evidence that she was unable to manage her financial affairs during the relevant time period.

HOLDING


Appellant's claim for refund is barred by the statute of limitations.


DISPOSITION

FTB's action denying the claim for refund is sustained.

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Erica Parker
Hearing Officer

We concur:
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Asaf Kletter
Administrative Law Judge

DocuSigned by:

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Teresa A. Stanley
Administrative Law Judge

Date Issued: 1/14/2025