



had already been filed, or to provide information that no returns were due. FTB did not receive responses to the Demands and subsequently issued Notices of Proposed Assessment (NPAs). FTB did not receive a protest from appellant disputing the NPAs, which became due and payable.

2. FTB commenced various collection actions for the 2016, 2017, and 2018 tax years, ultimately collecting or discharging the amounts due and payable.
3. On January 4, 2024, FTB received California resident income tax returns from appellant for the 2016, 2017, and 2018 tax years, showing overpayments of tax for each year. FTB accepted the returns and treated them as claims for refund. FTB issued denial notices for the 2016 and 2017 tax years on the basis that the claims were filed after the expiration of the statute of limitations.
4. For the 2018 tax year, FTB's records showed a total overpayment of \$2,441.42, of which FTB refunded \$1,414.91 as being within the statute of limitations. FTB issued a denial notice for the remaining amount of \$1,026.51 as being outside the statute of limitations.<sup>2</sup>
5. Appellant timely filed this appeal.

### DISCUSSION

Appellant does not dispute that the disallowed claims for refund are untimely. Rather, appellant makes reasonable cause type arguments for why the untimely claims for refund should be granted, including personal ill health, losing family members, and caregiving for a military veteran. Appellant states these—and other equally challenging—circumstances made it extremely difficult for her to attend to financial matters, including filing tax returns on time. Appellant requests OTA make an exception in her case.

Absent a statutory exception, a taxpayer's untimely filing of a claim bars a refund.<sup>3</sup> (*Appeal of Benemi Partners, L.P.*, 2020-OTA-144P.) There is no reasonable cause or equitable basis for suspending the statute of limitations. (*Ibid.*) The statute of limitations bars an untimely

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<sup>2</sup> California 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).) FTB granted a partial refund of \$1,414.91 to the extent payments received through the collection action for the 2018 tax year were received within a year of January 4, 2024, the date of appellant's claim for refund.

<sup>3</sup> Financial disability due to a medically determinable physical or mental impairment is an example of a statutory exception that may suspend the general statute of limitations period for refund claims. (R&TC, § 19316; *Appeal of Estate of Gillespie*, 2018-OTA-052P.) This exception requires evidence to support a finding of financial disability, which has not been provided in this case.


claim for refund even when it is shown that the tax was not owed in the first instance. (See *U.S. v. Dalm* (1990) 494 U.S. 596, 602.) Here, appellant requests refunds be granted for reasonable cause, which is not a recognized legal basis to grant an untimely refund claim. Appellant requests that OTA make an exception in her case, but California law prohibits OTA from doing so.

HOLDING

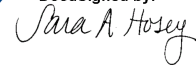
Appellant’s claims for refund for the 2016 and 2017 tax years are barred by the statute of limitations. For the 2018 tax year, the remaining amount of \$1,026.51 is likewise barred by the statute of limitations.


DISPOSITION

FTB’s actions are sustained.

Signed by:  
  
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Veronica I. Long  
Administrative Law Judge

We concur:

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Sara A. Hosey  
Administrative Law Judge

DocuSigned by:  
  
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Cheryl L. Akin  
Administrative Law Judge

Date Issued: 2/25/2025