

DISCUSSION

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).) Taxpayers bear the burden of proving, by a preponderance of evidence, that a refund claim was timely filed, and the untimely filing of a claim for any reason bars a refund. (*Appeal of Estate of Gillespie*, 2018-OTA-052P.)

Appellants argue that their refund claim was timely under the four-year statute of limitations. Appellants point out that on July 14, 2020, they received an extension from the IRS to file their 2019 federal income tax return, which was before the extended due date. According to appellants, they therefore had until October 15, 2024, to file a refund claim for the 2019 tax year. Appellants are mistaken.

The four-year limitation period begins to run from the date the Return is filed, only if the Return is filed on or before October 15, 2020—it does not run from the extended due date, which is what appellants appear to argue.¹ In addition, appellants' extension of time to file their return with the IRS has no bearing on the timeliness of their refund claim filed with FTB. Rather, it is the filing date of the Return (i.e., appellants' 2019 *California* income tax return) which determines when the four-year limitation period begins to run.

It is undisputed that the Return was not filed within the extended due date, but years later, on June 3, 2024. The four-year limitation period therefore began to run from the original due date of the Return, which was April 15, 2020 (R&TC, § 18566).² Appellants' refund claim was not filed within four years of this date, and thus, it is untimely.

¹ FTB provides individuals with an automatic six-month extension to file their returns. (Cal. Code Regs., tit. 18, § 18567(a).)

² FTB's COVID-19 related postponement of the Return filing deadline to July 15, 2020, did not change the original due date for filing a return. (*Appeal of Bannon*, 2023-OTA-096P.)

HOLDING

Appellants' 2019 claim for refund was untimely.

DISPOSITION

FTB's action is sustained.

Signed by:

Veronica I. Long

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Veronica I. Long
Administrative Law Judge

We concur:

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Sara A. Hosey

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Sara A. Hosey
Administrative Law Judge

DocuSigned by:

Kenneth Gast

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Kenneth Gast
Administrative Law Judge

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