

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

In the Matter of the Consolidated Appeals of:     )  
K. WHITE   )  
   )  
   )  
   )  
   )

---

OTA Case Nos. 240817136 & 240917459

**OPINION**

Representing the Parties:

For Appellant:   K. White  
For Respondent:   John Ly, Graduate Legal Assistant

K. WILSON, Hearing Officer: Pursuant to Revenue and Taxation Code (R&TC) section 19324, K. White (appellant) appeals actions by respondent Franchise Tax Board (FTB) denying appellant’s claims for refund of \$1,990, \$1,955, \$1,998, \$4,433 and \$14,142 for the 2014, 2015, 2016, 2018 and 2019 tax years, respectively.

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 the claims for refund for tax years 2014, 2015, 2016, 2018 and 2019 are barred by the statute of limitations.

**FACTUAL FINDINGS**

1. On July 5, 2024, FTB received appellant’s California Resident Income Tax Returns (CA returns) as follows:
  - a. 2014 CA return reporting total tax of \$10,665, withholding credits of \$12,547, and an overpayment of \$1,882.
  - b. 2015 CA return reporting total tax of \$10,618, withholding credits of \$12,464, and an overpayment of \$1,846.
  - c. 2016 CA return reporting total tax of \$10,867, withholding credits of \$12,703, and an overpayment of \$1,836.

- d. 2018 CA return reporting total tax of \$9,716, withholding credits of \$13,809, an overpayment of \$4,092, and requesting a refund of \$4,072.
  - e. 2019 CA return reporting wages of \$172,830, and claiming the standard deduction of \$4,537, exemption credits of \$378, and withholding credits of \$14,142. Appellant did not report total tax or a refund amount on the CA return.
2. On July 31, 2024, FTB issued Statute of Limitations letters denying appellant's claims for refunds for the 2014, 2015, 2016, 2018 and 2019 tax years, respectively, after making adjustments to the CA returns as follows:
- a. 2014 CA return: reduced total tax to \$10,557 and determined an overpayment of \$1,990.
  - b. 2015 CA return: reduced total tax to \$10,509 and determined an overpayment of \$1,955.
  - c. 2016 CA return: reduced total tax to \$10,705 and determined an overpayment of \$1,998.
  - d. 2018 CA return: reduced total tax to \$9,376 and determined an overpayment of \$4,433.
  - e. 2019 CA return: reduced exemption credits to \$122, calculated total tax of \$12,697, applied withholding credits, and determined an overpayment of \$1,445.<sup>1</sup>
3. These timely appeals followed, which OTA consolidated.

### DISCUSSION

The statute of limitations provides, in relevant part, that no credit or refund may 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 date the return was due, 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 proving that the claim for refund was timely and that the taxpayer is entitled to the refund. (*Appeal of Estate of Gillespie*, 2018-OTA-052P.)

---

<sup>1</sup> FTB's Statute of Limitations letter for 2019 erroneously reflected an overpayment of \$14,142, an amount equal to appellant's reported withholding for the 2019 tax year, because appellant's 2019 CA return did not report an amount on the total tax line. The correct overpayment amount for 2019 is \$1,445.

The language of the statute of limitations is explicit and must be strictly construed. (*Appeal of Benemi Partners, L.P.*, 2020-OTA-144P.) There is no reasonable cause exception or equitable basis for suspending the statute of limitations. (*Ibid.*) A taxpayer's untimely filing of a claim for any reason bars a refund even if the tax is alleged to have been erroneously, illegally, or wrongfully collected. (*Ibid.*) This is true even when it is later shown that the tax was not owed in the first place. (*Appeal of Jacqueline Mairghread Patterson Trust*, 2021-OTA-187P.) Neither ill health of a taxpayer nor any other unfortunate circumstance can extend the statute of limitations for filing a claim for refund. (*Appeal of Estate of Gillespie, supra.*) While the result of fixed deadlines may appear harsh, the occasional harshness is redeemed by the clarity imparted.<sup>2</sup> (*Appeal of Benemi Partners, L.P., supra.*)

Appellant did not file timely 2014, 2015, 2016, 2018 or 2019 tax returns within the extension periods. Accordingly, the first four-year statute of limitations period is not applicable because appellant did not timely file the returns subject to a valid extension. The second four-year statute of limitations period expired on April 15th of 2019, 2020, 2021, 2023 and 2024, because appellant's 2014, 2015, 2016, 2018 and 2019 returns were originally due on April 15th of 2015, 2016, 2017, 2019 and 2020, respectively. (R&TC, §§ 18566, 19306(a).) Appellant filed his returns on July 5, 2024, which FTB accepted as claims for refund. This was after the expiration of the four-year statute of limitations periods noted above. Therefore, appellant's claims for refund are untimely under the four-year statute of limitations.

The one-year statute of limitations period runs one year from the date of payment. Withholding payments are deemed paid on the return filing due date. (Cal. Code Regs., tit. 18, § 19002(c)(1).) Thus, appellant's withholdings were deemed paid on April 15th of 2015, 2016, 2017, 2019 and 2020, respectively. The one-year statute of limitations period for these payments/withholdings expired one year later on April 15th of 2016, 2017, 2018, 2020 and 2021, respectively. As such, appellant's July 5, 2024 claims for refund are beyond the one-year statute of limitations period for these payments/withholdings and are accordingly barred.

Here, appellant contends that FTB should refund the overpayments since his employer withheld more tax than they should have for each tax year at issue. As explained above, claims

---

<sup>2</sup> For purposes of the Personal Income Tax Law, the statute of limitations may be tolled under certain circumstances during any period for which an individual taxpayer establishes a financial disability. (R&TC, § 19316(a).) A taxpayer is financially disabled if: (1) 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, and (2) there is no spouse or other legally authorized person to act on the taxpayer's behalf in financial matters. (R&TC, § 19316(b).) Although there is a statutory exception for financial disability, appellant has not asserted or established that this exception applies in this appeal.

for refund filed after the expiration of the statute of limitations are statutorily barred. Appellant does not dispute that the claims for refund for the 2014, 2015, 2016, 2018 and 2019 tax years were filed after the expiration of the statute of limitations. Appellant has not provided any legal basis to toll or suspend the statute of limitations. Therefore, appellant’s claims for refund are barred.

HOLDING

The claims for refund for tax years 2014, 2015, 2016, 2018 and 2019 are barred by the statute of limitations.

DISPOSITION

FTB’s actions denying appellant’s claims for refund are sustained.

Signed by:  
*Kim Wilson*  
4E8E740EDB984CD  
\_\_\_\_\_  
Kim Wilson  
Hearing Officer

We concur:

DocuSigned by:  
*Huy "Mike" Le*  
A11783ADD49442B...  
\_\_\_\_\_  
Huy "Mike" Le  
Administrative Law Judge

DocuSigned by:  
*Kenneth Gast*  
3AF5C32BB93B456  
\_\_\_\_\_  
Kenneth Gast  
Administrative Law Judge

Date Issued: 7/3/2025