

- \$7,391.25, plus applicable interest. Appellant H. Bezdjian did not respond, and the NPA became final.
4. Respondent subsequently initiated collection activity¹ and received the following payments from appellant H. Bezdjian: (1) \$977.64 on July 29, 2022; (2) \$45,639.98 on August 9, 2023; and (3) \$6,632.94 on October 25, 2024.
 5. On October 24, 2024, Appellants jointly filed a 2017 California Resident Income Tax Return, reporting total tax of \$0, total payments of \$46,617, and an overpayment of \$46,617, which appellants requested to be refunded to them. Respondent accepted appellants' return as filed and treated it as a claim for refund of \$52,914.55.²
 6. On November 19, 2024, respondent sent appellants a Statute of Limitations letter allowing appellants' claim for refund of \$6,632.94 and denying the remaining \$46,281.61.³
 7. This timely appeal followed.

DISCUSSION

The statute of limitations to file a claim for refund is set forth in R&TC section 19306. The statute of limitations provides, in pertinent 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 due date 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 (*Benemi*).)

There is no reasonable cause or equitable basis for suspending the statute of limitations. (*Appeal of Jacqueline Mairghread Patterson Trust*, 2021-OTA-187P.) The language of the statute of limitations is explicit and must be strictly construed. (*Benemi, supra.*) A taxpayer's untimely filing of a claim for any reason bars a refund even if the tax is alleged to have been

¹ Respondent imposed a \$316 collection fee and a \$20 county lien fee as a result of the collection activity.

² Respondent calculated appellants' claim for refund as the sum of the July 22, 2022 payment of \$977.64, the August 9, 2023 payment of \$45,639.98, the October 25, 2024 payment of \$6,632.94, less the collection fee of \$316 and the certificate of lien fee of \$20, which equals \$52,914.56.

³ Respondent calculated appellants' claim for refund denied as the sum of payments made of \$52,914.55, minus the claim for refund allowed of \$6,632.94, which equals \$46,281.61. Respondent's account record for appellants' reports that respondent refunded the \$6,632.94 payment to appellants on November 13, 2024.

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. (*Ibid.*) Although the result of fixed deadlines may appear harsh, the occasional harshness is redeemed by the clarity imparted. (*Ibid.*)

Appellants' filed their 2017 return on October 24, 2024, after the extension period to file expired on October 15, 2018. (R&TC, §§ 18566, 18567; Cal. Code Regs., tit. 18, 18567.) Thus, the first statute of limitations period does not apply. The original due date for filing the 2017 return was April 15, 2018, and the four-year statute of limitations expired four years later on April 15, 2022. (R&TC, §§ 18566, 19306(a).) Therefore, appellants' October 24, 2024 claim for refund is untimely under the second limitations period. For the foregoing reasons, appellants' claim for refund is barred under the four-year statute of limitations.

Regarding the one-year statute of limitations, the time for appellants to file a claim for refund is one year from the date of overpayment. Appellants' filed their claim for refund on October 24, 2024. Appellants' claim for refund is therefore timely for any payments made within one year of this date (i.e., payments made on or after October 24, 2023). Appellants made a payment of \$6,632.94 on October 25, 2024, which respondent refunded to appellants. Appellants also made payments of \$977.64 on July 29, 2022, and \$45,639.98 on August 9, 2023, more than one year prior to the date that they filed the claim for refund. Therefore, appellants' claim for refund of these payments is barred under the one-year statute of limitations.


Appellants' contend that their failure to timely file a 2017 return was an oversight, they owed no tax, and respondent's holding of money that it collected and subsequently failed to refund to appellants results in unjust enrichment to respondent. As stated above, there is no reasonable cause or equitable basis for suspending the statute of limitations. (*Appeal of Jacqueline Mairghread Patterson Trust, supra.*) The language of the statute of limitations is explicit and must be strictly construed. (*Benemi, supra.*) 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. (*Ibid.*) For the foregoing reasons, appellants' claim for refund is barred under the statute of limitations.

HOLDINGS

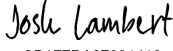
Appellants' claim for refund is barred by the statute of limitations.

DISPOSITION

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

Signed by:

C04CD432E3254FD...
Seth Elsom
Hearing Officer

We concur:

Signed by:

CB1E7DA37831416
Josh Lambert
Administrative Law Judge

Signed by:

4E8E740EDB984CD
Kim Wilson
Hearing Officer

Date Issued: 9/10/2025