

OFFICE OF TAX APPEALS
STATE OF CALIFORNIA

In the Matter of the Appeal of:)	OTA Case No. 240716651
C. JAMISON)	
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OPINION

Representing the Parties:

For Appellant: C. Jamison

For Respondent: Sarah J. Fassett, Attorney

G. TURNER, Administrative Law Judge: Pursuant to Revenue and Taxation Code (R&TC) section 19045, C. Jamison (appellant) appeals an action by respondent Franchise Tax Board (FTB) denying appellant's claim for refund of \$4,150 for the 2019 tax year.

Appellant elected to have this appeal determined pursuant to the procedures of the Small Case Program. Those procedures require the assignment of a single panel member. (Cal. Code Regs., tit. 18, § 30209.05(b).) 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 timely filed a claim for refund for the 2019 tax year.

FACTUAL FINDINGS

1. Appellant filed her 2019 California Resident Income Tax Return on May 29, 2024, which FTB processed and accepted as filed.
2. Against a tax liability of \$9,645, appellant reported California income tax withheld of \$13,795.
3. Appellant requested on the return that the excess payments of \$4,150 be returned as a refund.
4. FTB treated the return as a claim for refund, and on June 20, 2024, FTB denied appellant's claim.

5. This timely appeal followed.

DISCUSSION

R&TC section 19306 imposes a statute of limitations to file a claim for refund. R&TC section 19306(a) provides, in part, that no credit or refund shall 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 within the extended filing period pursuant to an extension of time to file; (2) four years from the due date prescribed for filing the return (determined without regard to any extension of time for filing the return); or (3) one year from the date of the overpayment. The taxpayer has the burden of proof in showing entitlement to a refund and that the claim for refund is timely. (*Appeal of Estate of Gillespie*, 2018-OTA-052P (*Gillespie*).)

The language of R&TC section 19306 is explicit and must be strictly construed. (*Appeal of Cornbleth*, 2019-OTA-408P.) A taxpayer's failure to file a claim for refund, for whatever reason, within the statutory period bars the taxpayer from doing so later, even if the tax is alleged to have been erroneously, illegally, or wrongfully collected. (*Appeal of Benemi Partners, L.P.*, 2020-OTA-144P.) This is true even when it is later shown that the tax was not owed in the first place. (*Ibid.*) While fixed deadlines may appear harsh because they can be missed, the resulting occasional harshness is redeemed by the clarity imparted. (*Ibid.*)

Because appellant did not file a timely return, the applicable statute of limitations in this appeal is the later of four years from the last day prescribed for filing the tax return (without regard to any extension of time to file) or one year after the date of the overpayment. (R&TC, § 19306(a).)

The due date for the 2019 tax return was April 15, 2020. Therefore, the four-year statute of limitations for refunds against the 2019 tax year expired on April 15, 2024. Having filed the 2019 return which served as the claim for refund on May 29, 2024, the four-year statute of limitations for claiming a refund thereon had expired.

On March 12, 2020, the Governor of California signed Executive Order N-25-20, which among other things directed FTB to exercise its authority to extend filing and payment deadlines for individuals and business entities.¹ FTB issued Notice 2020-02 which postponed to July 15, 2020 various deadlines, including filing a claim for refund. However, FTB's postponement of the due date to July 15, 2020, did not change the original due date of

¹ See <https://www.gov.ca.gov/wp-content/uploads/2020/03/3.12.20-EO-N-25-20-COVID-19.pdf>.

April 15, 2020, upon which the four-year statute of limitations for refund claims is based. (*Appeal of Nguyen*, 2025-OTA-333P; *Appeal of Bannon*, 2023-OTA-096P.)

The one-year statute of limitations applies to claims for refund made within one year of the date payment is made. (R&TC, § 19306(a).) For the purposes of R&TC section 19306(a), however, tax withholdings are deemed paid on the due date of the return. (R&TC, § 19002(c)(1).) Because appellant's tax withholding was deemed paid on the due date of the return, April 15, 2020, appellant's claim for refund filed on May 29, 2024, falls outside the one-year statute of limitations under R&TC section 19306 as well.

Appellant does not dispute that the 2019 tax return was filed late. Appellant requests relief from the denial of her claim for refund due to several pandemic related issues, including unemployment, unexpected relocation, and the immense difficulties faced starting a new business while trying to raise two teenagers.

While appellant's circumstances are certainly sympathetic, there is no reasonable cause or equitable basis for suspending the statute of limitations period. (*Appeal of Benemi Partners, L.P., supra.*) Except for the narrow circumstances associated with financial disability which appellant has not directly alleged here,² a taxpayer's failure to file a claim for refund within the statutory period bars a refund even if the tax is alleged to have been erroneously, illegally, or wrongfully collected. (*Ibid.*) OTA is an administrative agency created by statute (see Gov. Code, § 15672), and as such, OTA is not a court (Gov. Code, § 15672(b)). Since equitable powers can only be exercised by a court of general jurisdiction (See *Standard Oil Co. v. State Bd. of Equalization* (1936) 6 Cal.2d 557, 559), OTA lacks power to provide relief beyond the specific authority provided by statute. Because California provides very limited circumstances in which relief may be awarded when a claim for refund is not timely filed, and appellant has not shown such circumstances for relief here, OTA has no basis upon which to extend the statute of limitations on appellant's refund claim for the 2019 tax year.

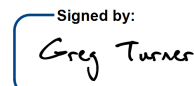
² R&TC section 19316(a) provides that the time for filing a claim for refund may be suspended if a taxpayer is "financially disabled," as defined in R&TC section 19316(b). The running of the period for filing a claim for refund pursuant to R&TC section 19306 is suspended if: (1) an individual taxpayer 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).) When a taxpayer alleges financial disability as cause to suspend the statute of limitations period to file a timely claim for refund, a physician's affidavit must be provided that identifies the disability period when the taxpayer was unable to manage his or her financial affairs and that period must occur during the limitations period. (*Gillespie, supra.*)

HOLDING

Appellant did not timely file a claim for refund for the 2019 tax year.

DISPOSITION

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

Signed by:

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Greg Turner
Administrative Law Judge

Date Issued: 9/25/2025