

OFFICE OF TAX APPEALS
STATE OF CALIFORNIA

In the Matter of the Appeal of:) OTA Case No. 250118481
G. BAHRAMI)
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OPINION

Representing the Parties:

For Appellant: G. Bahrami
For Respondent: Arathi Ramalingam, Attorney

H. FAMULARO, Administrative Law Judge: Pursuant to Revenue and Taxation Code (R&TC) section 19324, G. Bahrami (appellant) appeals an action by the Franchise Tax Board (respondent) denying appellant’s claim for refund of \$5,811 for the 2019 tax year.

Appellant waived the right to an oral hearing; therefore, the matter was submitted to the Office of Tax Appeals on the written record pursuant to California Code of Regulations, title 18, section 30209(a).

ISSUE

Whether the statute of limitations bars appellant’s claim for refund.

FACTUAL FINDINGS

1. On July 2, 2020, appellant timely filed appellant’s 2019 California income tax return reporting total tax of \$1,077, California income tax withheld of \$67, and tax due of \$1,010, which appellant paid on July 8, 2020.¹
2. On February 21, 2024, respondent sent appellant a notice advising appellant of potential unclaimed nonwage withholding credits of \$5,811 for 2019, which appellant had to claim by filing an amended tax return before the applicable statute of limitations date.

¹ For the 2019 tax year, due to the COVID-19 pandemic, respondent postponed the original filing and payment due dates to July 15, 2020. (See www.ftb.ca.gov/about-ftb/newsroom/news-releases/2020-5-april-15-tax-day-postponed-until-july-15-2020.html.)

3. On August 6, 2024, appellant filed a 2019 amended tax return reporting a refund due of \$5,811.
4. On November 25, 2024, respondent denied appellant's claim for refund of \$5,811 for 2019 because the statute of limitations had expired.
5. This timely appeal followed.

DISCUSSION

R&TC section 19306(a) provides that no credit or refund will be allowed unless a claim for refund is filed within the later of: (1) four years from the date the return was filed, if filed within the extended filing period; (2) four years from the due date of the return, without regard to extensions; or (3) one year from the date of the overpayment. For purposes of the one-year statute of limitations, estimated tax payments and withholdings are deemed paid on the original due date of the return. (R&TC, § 19002(c)(1), (2).) The taxpayer has the burden of proof to establish entitlement to a refund and that the refund claim is timely. (*Appeal of Benemi Partners, L.P.*, 2020-OTA-144P.)

The language of R&TC section 19306 is explicit and must be strictly construed. (*Appeal of Combleth*, 2019-OTA-408P.) Absent an exception, a taxpayer's untimely filing of a claim for refund bars a refund.² (*Appeal of Benemi Partners, L.P.*, *supra*.) There is no reasonable cause or equitable basis for suspending the statute of limitations. (*Ibid.*) In addition, respondent has no duty to discover overpayments made by the taxpayer or to inform the taxpayer of the time within which a claim for refund must be filed. (*Appeal of Cervantes* (74-SBE-029) 1974 WL 2844; *Appeal of Matthiessen* (85-SBE-077) 1985 WL 15856.) Although the result of fixed deadlines may appear harsh, the occasional unfairness is necessary to allow for a more workable tax enforcement system and is redeemed by the clarity imparted. (*Appeal of Estate of Gillespie*, 2018-OTA-052P.)

Here, appellant timely filed appellant's 2019 tax return within the extended filing period on July 2, 2020, and therefore the first four-year statute of limitations period applies. Under the first four-year statute of limitations, appellant was required to file a refund claim no later than July 2, 2024, which is four years from the timely filing date of appellant's 2019 tax return. (See *Appeal of Nguyen*, 2025-OTA-333P.) Under the one-year statute of limitations, appellant was required to file a refund claim no later than April 15, 2021, which is one year from the date appellant's withholdings of \$5,811 are deemed paid. Appellant, however, filed the 2019

² Although not applicable here, financial disability due to a medically determinable physical or mental impairment is an example of an exception that may suspend the general statute of limitations period for refund claims. (R&TC, § 19316; *Appeal of Estate of Gillespie*, 2018-OTA-052P.)

amended tax return on August 6, 2024, after both the first four-year and one-year statute of limitations periods expired. Therefore, appellant’s claim for refund is barred under R&TC section 19306(a).


On appeal, appellant appears to argue that there is reasonable cause for appellant’s failure to timely file the 2019 amended tax return because respondent did not provide timely notice of appellant’s unclaimed withholding credit. However, there is no reasonable cause exception or equitable basis for suspending the statute of limitations. (*Appeal of Benemi Partners, L.P., supra.*) In addition, respondent was not required to inform appellant of the overpayment or the time in which appellant’s claim for refund must be filed. (*See Appeal of Cervantes, supra; Appeal of Matthiessen, supra.*) Therefore, appellant’s claim for refund is barred under R&TC section 19306(a).

HOLDING


The statute of limitations bars appellant’s claim for refund.

DISPOSITION

Respondent’s action denying appellant’s claim for refund is sustained.

Signed by:

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Hans Famularo
Administrative Law Judge

We concur:
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Andrew Wong
Administrative Law Judge

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Michael F. Geary
Administrative Law Judge

Date Issued: 12/18/2025