OFFICE OF TAX APPEALS

STATE OF CALIFORNIA

In the Matter of the Appeal of:

D. ROCHA

OTA Case No. 250622476

OPINION

Representing the Parties:

For Appellant: D. Rocha

For Respondent: John Ly, Attorney

For Office of Tax Appeals: Nguyen Dang, Attorney

V. LONG, Administrative Law Judge: Pursuant to Revenue and Taxation Code (R&TC) section 19324, D. Rocha (appellant) appeals an action by respondent Franchise Tax Board (FTB) denying appellant's claim for refund of $2,756.29 for the 2019 tax year.

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's refund claim for the 2019 tax year is timely.

FACTUAL FINDINGS

1. Appellant did not file a timely 2019 California income tax return (Return).
2. After requesting but not receiving a Return from appellant, FTB issued a Notice of Proposed Assessment (NPA) to appellant for the 2019 tax based on an estimate of appellant's income using third-party information returns.
3. Appellant did not protest the NPA and it became final—that is, it became due and payable.
4. On March 15, 2025, appellant filed her Return.

5. FTB processed appellant's Return and computed an overpayment of $2,756.29. FTB treated appellant's Return as a refund claim but did not credit or refund appellant's overpayment because FTB determined that the claim was untimely.
6. FTB issued a claim denial notice from which appellant timely appeals.

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).) Appellant does not dispute that her refund claim was not filed within any of these periods.

Appellant argues that her claim should be granted on the basis of significant and serious personal difficulties which prevented appellant from filing her Return, which constituted her claim for refund, until March 15, 2025. In support, appellant provides a hospital form indicating that an individual presumably related to appellant was admitted on January 14, 2017.

Absent a legislatively enacted exception to the statute of limitations, OTA does not have the authority to grant an untimely refund claim to achieve a more equitable result for taxpayers or to avoid a seemingly harsh outcome. (*Appeal of Estate of Gillespie*, 2018-OTA-052P.) The statute of limitations for filing a refund claim must be strictly construed; in other words, a taxpayer's untimely filing of a refund claim for *any reason* bars a refund. (*Appeal of Benemi Partners, L.P.,* 2020-OTA-144P.)

The statute of limitations may be suspended during any period where a taxpayer is "financially disabled." A taxpayer is financially disabled if he or she 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. (R&TC, § 19316(b)(1).) A taxpayer shall not be considered financially disabled for any period during which the taxpayer's spouse or any other person is legally authorized to act on the taxpayer's behalf in financial matters. (R&TC, § 19316(b)(2).) To prove financial disability, a taxpayer *must* provide a physician's affidavit identifying the disability period when the taxpayer was unable to manage his or her financial affairs. (*Appeal of Estate of Gillespie*, *supra*.)[1]

To the extent appellant argues the statute of limitations should be suspended due to financial disability, appellant has not provided the required physician's affidavit to qualify for the

[1] During briefing, FTB provided appellant with a copy of this form and its instructions.

exception. The hospital form provided by appellant does not contain any medical diagnosis made by a physician indicating that appellant was unable to manage her financial affairs nor does it identify any relevant period of disability. Accordingly, appellant has not established a financial disability that would permit OTA to suspend the statute of limitations. Thus, while OTA is sympathetic to the situation described by appellant, OTA is unable to provide the relief appellant seeks.

HOLDING

Appellant's refund claim for the 2019 tax year is untimely.

DISPOSITION

FTB's action is sustained.

Signed by:
Veronica I. Long
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Veronica I. Long
Administrative Law Judge

We concur:

Signed by:
Natasha Ralston
26F8FE08FF56478...
Natasha Ralston
Administrative Law Judge

Signed by:
E407D7E70D3E41C...
Hans Famularo
Administrative Law Judge

Date Issued: 4/6/2026