OFFICE OF TAX APPEALS

STATE OF CALIFORNIA

In the Matter of the Appeal of: **J. LIZARRAGA**	OTA Case No. 250923369

OPINION

Representing the Parties:

For Appellant: J. Lizarraga

For Respondent: Ariana Macedo, Attorney

E. PARKER, Hearing Officer: Pursuant to Revenue and Taxation Code (R&TC) section 19324, J. Lizarraga (appellant) appeals an action by respondent Franchise Tax Board (FTB) denying appellant's claim for refund of $2,745 for the 2020 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 on the written record pursuant to California Code of Regulations, title 18, section 30209(a).

ISSUE

Whether appellant's claim for refund is barred by the statute of limitations.

FACTUAL FINDINGS

1. Appellant did not timely file a California tax return for the 2020 tax year.
2. On August 28, 2025, appellant untimely filed a 2020 California Resident income tax return, reporting tax of $7,509, withholding of $10,254, and an overpayment of $2,745.
3. FTB accepted the return as a claim for refund of $2,745.
4. FTB denied the claim for refund due to the expiration of the statute of limitations.
5. This timely appeal followed.

DISCUSSION

R&TC section 19306(a) provides 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 pursuant to an extension of time to file; (2) four years from the last date prescribed 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. The taxpayer has the burden of proving entitlement to a refund and that the claim is timely. (*Appeal of Fischer (Dec'd)*, 2024-OTA-518P.)

Appellant does not dispute that the 2020 tax return filed on August 28, 2025, was filed outside of the statute of limitations prescribed in R&TC section 19306(a). Rather, appellant requests equitable consideration due to the emotional and financial hardship he experienced due to the death of his father in 2019.

There is no reasonable cause or equitable basis for suspending the statute of limitations. (*Appeal of Jacqueline Mairghread Patterson Trust*, 2120-OTA-187P.) The language of the statute of limitations is explicit and must be strictly construed. (*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*.) However, if an individual taxpayer is "financially disabled," as defined in R&TC section 19316, the statute of limitations may be suspended during the period of financial disability. A taxpayer is "financially disabled" if (1) the taxpayer is unable to manage personal financial affairs due to a medically determinable physical or mental impairment that is either deemed to be a terminal impairment or 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).)

Appellant does not claim, or provide evidence, that he was "financially disabled" as defined in R&TC section 19316. Despite appellant's assertion of emotional and financial hardship, a claim for refund filed outside of the statute of limitations for any reason is statutorily barred.

HOLDING

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

DISPOSITION

FTB's action is sustained.

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Erica Parker
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Erica Parker
Hearing Officer

Date Issued: 4/8/2026