OFFICE OF TAX APPEALS

STATE OF CALIFORNIA

In the Matter of the Appeal of: **E. TORRES AND** **R. TORRES**	OTA Case No. 250923221

OPINION

Representing the Parties:

For Appellants: E. Torres and R. Torres

For Respondent: Jeffrey Gates, Attorney

For Office of Tax Appeals: Michelle Huh, Attorney

N. RALSTON, Administrative Law Judge: Pursuant to Revenue and Taxation Code (R&TC) section 19324, E. Torres and R. Torres (appellants) appeal actions by the Franchise Tax Board (respondent) denying appellants' claims for refund of $8,339.83 for the 2018 tax year; $8,165.52 for the 2019 tax year; and $9,183.08 for the 2020 tax year.

Appellants 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 appellants' claims for refund for the 2018, 2019, and 2020 tax years are barred by the statute of limitations.

FACTUAL FINDINGS

1. Respondent sent separate requests to each appellant to file 2018, 2019, and 2020 tax returns.
2. When appellants did not respond, respondent issued separate Notices of Proposed Assessments (NPAs) to appellants for the 2018 through 2020 tax years. Appellants did not protest the NPAs, and the NPAs became final and collectible. Respondent commenced collection actions.

3. On May 15, 2025, appellants untimely filed joint California resident income tax returns for the 2018, 2019, and 2020 tax years.
4. Respondent processed the returns, adjusted the overpayments for the 2018 through 2020 tax years, and treated the returns as claims for refund.
5. Respondent denied appellants' claims for refund, and this timely appeal followed.

DISCUSSION

The statute of limitations to file a claim for refund is set forth in R&TC section 19306(a), which 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 due date for filing the return (determined without regard to any extension of time to file); or (3) one year from the date of the overpayment. Taxpayers have the burden of proving entitlement to a refund and that the claim is timely. (Cal. Code Regs., tit. 18, § 30219(a); *Appeal of Estate of Gillespie*, 2018-OTA-052P.)

Appellants do not dispute that their refund claims were untimely filed. Rather, appellants assert that they experienced personal hardships and challenges due to the COVID-19 pandemic and their occupations as first responders during the pandemic.

However, the language of R&TC section 19306 is explicit and must be strictly construed. (*Appeal of Benemi Partners, L.P*., 2020-OTA-144P.) There is no reasonable cause or equitable basis to suspend the statute of limitations. (*Ibid*.) Absent an exception which is not present here,[1] appellants' untimely filing of a claim for any reason bars a refund, even when it is later shown that the tax was not owed in the first place. (*Ibid*.) Although OTA is sympathetic to appellants' circumstances, OTA lacks the legal authority to grant appellants' untimely refund claims based on equitable grounds. (*Appeal of Estate of Gillespie*, *supra*.) Although the result of fixed deadlines may appear harsh, the occasional harshness is redeemed by the clarity imparted. (*Appeal of Benemi Partners, L.P*., *supra*.) Thus, appellants' claims for refund for the 2018 through 2020 tax years are barred by the statute of limitations.

---

[1] R&TC section 19316(b)(1) suspends the running of the statute of limitations during any period where the 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 expected to last for a continuous period of not less than 12 months.

HOLDING

Appellants' claims for refund for the 2018, 2019, and 2020 tax years are barred by the statute of limitations.

DISPOSITION

Respondent's actions denying appellants' claims for refund for the 2018 through 2020 tax years are sustained.

Signed by:
Natasha Ralston
25F8FE08FF56478...
Natasha Ralston
Administrative Law Judge

We concur:

Signed by:
Kim Wilson
4E8E740EDB084CD...
Kim Wilson
Hearing Officer

Signed by:
Greg Turner
1B8F50433F1D4D5...
Greg Turner
Administrative Law Judge

Date Issued: 4/30/2026