2026-OTA-375
Nonprecedential

OFFICE OF TAX APPEALS

STATE OF CALIFORNIA

In the Matter of the Appeal of:

L. DIXON

OTA Case No. 250521954

OPINION

Representing the Parties:

For Appellant: L. Dixon

For Respondent: David C. Cortez, Associate Government Program Analyst

For Office of Tax Appeals: Tom Hudson, Attorney

N. RALSTON, Administrative Law Judge: Pursuant to Revenue and Taxation Code (R&TC) section 19324, L. Dixon (appellant) appeals an action by Franchise Tax Board (respondent) denying appellant's claim for refund of $2,702.04 for the 2017 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 claim for refund for 2017 is barred by the statute of limitations.

FACTUAL FINDINGS

1. Appellant did not timely file a California income tax return for 2017.
2. Respondent received information from third parties that appellant had received sufficient income in the 2017 tax year to require appellant to file a 2017 tax return. Respondent requested a tax return, but appellant did not provide one by the due date. Respondent then issued a Notice of Proposed Assessment (NPA) that proposed to assess tax, a late-filing penalty, and interest based on an estimate of appellant's income.
3. Appellant did not protest the NPA, so the proposed tax, penalty and interest became due and payable.

4. When no payment was received, respondent initiated collection action and collected total payments of $2,445.04 received from December 9, 2020, through October 15, 2023.
5. On April 1, 2025, respondent received appellant's 2017 California income tax return, reporting total tax of $595. Respondent accepted the return as filed, and after accounting for installment agreement fees of $68, California income tax withholdings of $920, and payments totaling $2,445.04, respondent determined that appellant's 2017 taxable year account had an overpayment of $2,702.04.
6. Respondent treated the return as a claim for refund. On April 28, 2025, respondent denied appellant's claim for refund on the grounds that the claim was untimely under the statute of limitations for refund claims.
7. This timely appeal followed.

DISCUSSION

The statute of limitations to file a claim for refund is set forth in R&TC section 19306. No credit or refund may 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 pursuant to an extension of time to file; (2) four years from the due date 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. (R&TC, § 19306(a).) The language of the statute of limitations is explicit and must be strictly construed. (*Appeal of Benemi Partners, L.P.*, 2020-OTA-144P.) The taxpayer has the burden of proof in showing entitlement to a refund and showing that the claim is timely. (*Appeal of Estate of Gillespie*, 2018-OTA-052P.)

Appellant filed her claim for refund on April 1, 2025, after the extended filing period, and therefore the first four-year statute of limitations period does not apply. (R&TC, §§ 18566, 18567(a)(1), 19306(a); Ca. Code Regs., tit. 18, § 18567(a).) Appellant also filed her claim more than four years after the original due date for the 2017 return of April 15, 2018, and therefore appellant's claim is untimely under the second four-year statute of limitations. (R&TC, §§ 19306(a), 18566.) Regarding the one-year statute of limitations period, appellant's income tax withholdings of $920 are deemed paid on the original due date for the return of April 15, 2018, and appellant's last payment for the 2017 tax year occurred on October 15, 2023. (R&TC, §§ 19002(c)(1), 18566.) Appellant filed her return more than one year after all payments, and therefore appellant's claim is untimely under the one-year limitations period.

Appellant asserts that she thought she was still paying the balance of her 2017 tax liability when she filed her 2017 return and did not know that the statute of limitations to file a claim for refund had expired. Unfortunately, the language of the statute of limitations must be strictly construed and there is no reasonable cause or equitable basis for suspending the statute of limitations. (*Appeal of Benemi Partners, L.P.*, *supra.*) Absent a statutory exception, a taxpayer's untimely filing of a claim for refund for any reason bars a refund even if the tax is alleged to have been erroneously, illegally, or wrongfully collected. (*Ibid*.) Without a legislatively-enacted exception to the statute of limitations, OTA does not have the legal authority to change the outcome of this matter. (See *Appeal of Estate of Gillespie, supra*.)

Because appellant's claim for refund was filed after the statute of limitations period expired, the claim is untimely and it must be denied.

HOLDING

Appellant's claim for refund for 2017 is barred by the statute of limitations.

DISPOSITION

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

Signed by:
Natasha Ralston
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Natasha Ralston
Administrative Law Judge

We concur:

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Asaf Kletter
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Asaf Kletter
Administrative Law Judge

Signed by:
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Hans Famularo
Administrative Law Judge

Date Issued: 4/16/2026