OFFICE OF TAX APPEALS

STATE OF CALIFORNIA

In the Matter of the Appeal of: **N. KANNAN**	OTA Case No. 250722631

OPINION

Representing the Parties:

For Appellant: N. Kannan

For Respondent: Arathi Ramalingam, Attorney

For Office of Tax Appeals: Grant S. Thompson, Attorney

G. TURNER, Administrative Law Judge: Pursuant to Revenue and Taxation Code (R&TC) section 19324, N. Kannan (appellant) appeals an action by respondent Franchise Tax Board (FTB) denying appellant's claim for refund of $6,475 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 for the 2019 tax year.

FACTUAL FINDINGS

1. Appellant did not file a timely tax return for the 2019 tax year.
2. On April 15, 2025, appellant filed a California Nonresident or Part-Year Resident Income Tax Return for the 2019 tax year. The return claimed a refund of income tax withheld of $6,475.
3. FTB accepted the return as filed but determined that it could not issue a refund due to the expiration of the statute of limitations.
4. On May 29, 2025, FTB issued a Statute of Limitations notice denying appellant's claim for refund.
5. 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 the return was timely filed 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 is 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 did not file a tax return for the 2019 tax year by the extended due date of October 15, 2020. (R&TC, §§ 18566, 18567(a)(1); Cal. Code Regs., tit. 18, § 18567(a).) Appellant also did not file the return on or before April 15, 2024, the four-year period starting from the original due date of the return on April 15, 2020. (R&TC, §§ 19306(a), 18566; *Appeal of Nguyen*, 2025-OTA-333P.) As a result, the second four-year statute of limitations period also expired. As for the one-year statute of limitations, which begins from the payment date, appellant's payments appear to be solely attributable to income tax withholding credits. Such credits are deemed paid on the original due date for the return which was April 15, 2020. (R&TC, § 19002(c)(1).) Because appellant filed the claim more than one year after that deemed payment date, the claim is also barred under the one-year statute of limitations.

Appellant argues that a refund is owed and therefore should be granted. However, except for the narrow circumstances associated with financial disability which appellant has not alleged here,[1] a taxpayer's failure to file a claim for refund within the statutory period bars a refund *even if* the tax is alleged to have been erroneously, illegally, or wrongfully collected and there is no reasonable cause or equitable basis for suspending the statute of limitations. (*Appeal of Benemi Partners*, *supra*.) Because California provides very limited circumstances in which relief may be awarded when a claim for refund is not timely filed, and appellant has not alleged such circumstances for relief are present here, OTA has no basis upon which to extend the statute of limitations on appellant's refund claim for the 2019 tax year.

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[1] See R&TC section 19316(a).

HOLDING

The statute of limitations bars appellant's claim for refund for the 2019 tax year.

DISPOSITION

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

Signed by:
Greg Turner
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Greg Turner
Administrative Law Judge

We concur:

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

Signed by:
Josh Lambert
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Josh Lambert
Administrative Law Judge

Date Issued: 5/13/2026