

In the Matter of the Appeal of:) OTA Case No. 250421881
J. SIMON AND)
A. SIMON)
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1. In September 2021 and December 2023, respondent issued notices to appellant J. Simon indicating that he had made an estimated tax payment of \$2,292 for the 2019 tax year but did not file a 2019 California income tax return (Return).
2. The estimated tax payment for 2019 arose from an overpayment of tax on appellants' 2018 return that appellants asked to be applied to the 2019 tax year.
3. On January 3, 2025, appellants filed their 2019 joint Return reporting total tax of \$3,114, California income tax withheld of \$5,098, and an overpayment of \$1,984 and requesting a refund of the same amount.

4. Respondent processed the Return and computed a total overpayment of \$4,276, consisting of the estimated tax payment of \$2,292 and the overpayment of \$1,984 reported on the Return.
5. Respondent did not credit or refund appellants' overpayment because respondent determined that the Return was filed outside the period prescribed for making a refund claim.
6. This timely appeal followed.

DISCUSSION

Appellants do not dispute that the refund claim was untimely filed or respondent's calculation of the overpayment amount for the 2019 tax year. Instead, appellants argue that the refund claim should be granted due to the COVID-19 pandemic and various personal hardships which prevented the timely filing of the claim. Appellants also indicate that the refund is needed to pay their other tax obligations.

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 within the extended filing period pursuant to an extension of time to file; (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).) For purposes of R&TC section 19306, credits against estimated tax and amounts withheld for taxes are deemed to have been paid on the original return due date. (R&TC, § 19002(c)(1)-(2).)

Appellants filed their Return seeking a refund claim on January 3, 2025, outside of the automatic extension period, and therefore, the first four-year limitation period does not apply. (R&TC, §§ 19306(a), 18567; Cal. Code Regs., tit. 18, § 18567.) Appellants also filed their Return more than four years after the original due date for the 2019 return of April 15, 2020, and therefore appellants' claim is barred by the second four-year limitations period.¹ (R&TC, §§ 19306(a), 18566.) Furthermore, appellants' estimated tax payment and excess withholdings for the 2019 tax year are deemed paid on April 15, 2020. Thus, the one-year statute of limitations for these payments expired on April 15, 2021. (R&TC, § 19002.) Accordingly, appellants did not timely file a claim for refund within the applicable four-year or one-year statute of limitations; therefore, appellants' claim is barred by the statute of limitations. (R&TC, § 19306(a).)

¹ Respondent postponed the original filing deadline for the 2019 returns from April 15, 2020, to July 15, 2020; however, that postponement did not extend the commencement of the four-year statute of limitations period applicable to appellants' Return. (See *Appeal of Nguyen*, 2025-OTA-333P.)

OTA is sympathetic to the situation described by appellants. However, OTA lacks the authority to grant appellants' untimely refund claim. The law does not provide for an equitable or reasonable cause exception to the statute of limitations for making a refund claim. (*Appeal of Benemi Partners, L.P.*, 2020-OTA-144P.) Absent an exception, a taxpayer's untimely filing of a refund claim for *any reason* bars a refund. (*Ibid.*) "Although the result of fixed deadlines may appear harsh, the occasional harshness is redeemed by the clarity imparted." (*Ibid.*)

HOLDING

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

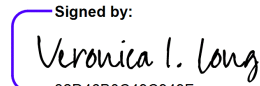
DISPOSITION

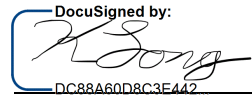
Respondent's action is sustained.

We concur:

Signed by:

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Seth Elsom
Hearing Officer

Signed by:

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Veronica I. Long
Administrative Law Judge

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Keith T. Long
Administrative Law Judge

Date Issued: 7/8/2026