

OFFICE OF TAX APPEALS
STATE OF CALIFORNIA

In the Matter of the Appeal of:	)	OTA Case No. 250823012
S. PATEL AND	)	
T. PATEL	)	
	)	
	)	

OPINION

Representing the Parties:

For Appellants:	S. Patel and T. Patel
For Respondent:	Rosemary Villasenor, Analyst
For Office of Tax Appeals:	Tom Hudson, Attorney

T. LEUNG, Administrative Law Judge: Pursuant to Revenue and Taxation Code (R&TC) section 19324, S. Patel and T. Patel (appellants) appeal an action by the Franchise Tax Board (respondent) denying appellants' claim for refund of \$5,915.68 for the 2020 taxable year.

Appellants waived their right to an oral hearing; therefore, this matter was submitted for a decision based on the written record. (See Cal. Code Regs., tit. 18, § 30209(a).)

ISSUE

Whether appellants' claim for refund for 2020 is barred by the statute of limitations.

FACTUAL FINDINGS

1. Appellants paid estimated tax of \$10,948 toward their expected 2020 tax obligation on May 17, 2021. Appellants did not file their 2020 tax return until they filed a joint California Resident Income Tax Return on April 28, 2023, which reflected withholdings of \$396 and total tax of \$11,451.
2. Appellants paid an additional \$472 toward their 2020 tax obligation on August 23, 2023.
3. On July 15, 2025, appellants filed an amended 2020 return reporting special depreciation from their ownership interest in an LLC and claiming a refund of \$5,566.

4. Respondent accepted appellants' amended return, treated the return as a claim for refund, and determined that appellants had an overpayment of \$5,915.68.¹
5. On August 11, 2025, respondent denied appellants' claim for refund on the basis that the claim had been filed after the statute of limitations expired.

DISCUSSION

The statute of limitations to file a claim for refund is set forth in R&TC section 19306. No credit or refund is allowed unless a claim for refund was filed within the later of: (1) four years from the date the return was filed if filed within a valid 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).) For purposes of R&TC section 19306, withholdings and estimated taxes are deemed paid on the last date prescribed for filing the return. (R&TC, § 19002(c)(1), (c)(2).) 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.)

Appellants filed their 2020 tax return after the extended due date for filing the 2020 return of October 15, 2021, and therefore, the first four-year statute of limitations period does not apply. (R&TC, §§ 18566, 18567(a)(1); Cal. Code Regs., tit. 18, § 18567(a).) The second four-year statute of limitations period expired on April 15, 2025, four years after the original April 15, 2021, due date for the 2020 return. (R&TC, §§ 19306(a), 18566.) Therefore, appellants' July 15, 2025, claim is barred by the second four-year limitations period.

Appellants' withholdings of \$396 and estimated tax payment of \$10,948, are both deemed paid on April 15, 2021, and appellants made a payment of \$472 on August 23, 2023. Appellants filed their claim for refund on July 15, 2025, more than one year after the deemed or actual payment dates of these amounts, and therefore the claim for a refund of those payments is barred by the statute of limitations.

In their appeal letter, appellants explain that "2020 was a COVID year" and taxpayers were given until May 17, 2021, to file their 2020 tax returns. Appellants also assert that the four-year statute of limitations should run from the end of the automatic extension period for filing the 2020 return on October 15, 2021, in which case, the statute of limitations would not expire until October 15, 2025, and the refund claim would be timely.

¹ The amount consisted of withholdings of \$396, payments of \$11,420 and a write-off of \$4.68, less tax of \$5,663 and an estimated tax penalty of \$242.

First, the COVID-19 May 17, 2021, deadline is not relevant here because appellants filed their 2020 tax return in 2023, past May 17, 2021, and the automatic extended due date of October 15, 2021. Second, as explained above, the four-year limitations period which runs from the filing date of the return is only operative if the return is filed within a valid extension of time to file the return. Appellants filed their original return on April 28, 2023, well after the October 15, 2021, extended due date for filing the 2021 return, and therefore, the applicable four-year statute of limitations expired 4 years from the original April 15, 2021, due date (i.e., April 15, 2025) before appellants filed their amended return on July 15, 2025.

The language of the statute of limitations is explicit and must be strictly construed. (*Appeal of Benemi Partners, L.P.*, 2020-OTA-144P.) A taxpayer's failure to file a claim for refund within the statute of limitations, for any reason, bars the taxpayer from later claiming a refund. (*Appeal of Estate of Gillespie, supra.*) There is no reasonable cause or equitable basis for suspending the statute of limitations. (*Ibid.*) Therefore, appellants' claim for refund is untimely.

HOLDING

Appellants' claim for refund for 2020 is barred by the statute of limitations.

DISPOSITION

Respondent's action is sustained.

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Tommy Leung

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Tommy Leung
Administrative Law Judge

We concur:

DocuSigned by:

Steven Kim

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Steven Kim
Administrative Law Judge

Signed by:

Natasha Ralston

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Natasha Ralston
Administrative Law Judge

Date Issued: 8/10/2026