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**OFFICE OF TAX APPEALS**

**STATE OF CALIFORNIA**

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| In the Matter of the Appeal of:<br>**M. BYRD** | OTA Case No. 250923114 |

**OPINION**

Representing the Parties:

For Appellant: M. Byrd

For Respondent: Hubeyb Kabulantok, Attorney

For Office of Tax Appeals: William J. Stafford, Attorney

T. LEUNG, Administrative Law Judge: Pursuant to Revenue and Taxation Code (R&TC) section 19324, M. Byrd (appellant) appeals an action by the Franchise Tax Board (respondent) denying appellant's claim for refund of $7,874 for the 2020 taxable year.

Appellant waived his right to an oral hearing; therefore, this matter is being decided based on the written record. (See Cal. Code Regs., tit. 18, § 30209(a).)

ISSUE

Whether appellant's claim for refund is barred by the statute of limitations.

FACTUAL FINDINGS

1. Appellant did not file his 2020 California personal income tax return (Form 540) until July 28, 2025, reporting income tax withholdings of $8,894, total tax of $4,138, and an overpayment of $4,756. Respondent processed appellant's 2020 Form 540 and treated it as a claim for refund.
2. From October 5, 2023, through July 29, 2025, respondent recorded collection payments totaling $6,650.88 on appellant's 2020 taxable year account. Of that amount, respondent received payments totaling $3,200.88 after July 28, 2024.
3. On August 13, 2025, respondent sent appellant an Intercept Funds Notice – State Tax Refund and informed him that a refund amount of $3,200.88 had been approved but was diverted to the IRS to pay his debt to the IRS.

4. After accounting for the refund diverted to the IRS, taxes, and a cost collection fee, appellant's 2020 taxable year account reflected an overpayment of $7,874. On August 14, 2025, respondent denied appellant's claim for refund, citing the expiration of the statute of limitations.

## DISCUSSION

No credit or refund shall be allowed unless a claim for refund is filed within the later of: (1) four years from when the return was filed if the return is filed within an extension of time to file; (2) four years from the original 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.)

Appellant did not file his 2020 Form 540 within the April 15, 2021, to October 15, 2021, automatic extension period and, therefore, the first four-year statute of limitations does not apply. (R&TC, §§ 18566, 18567(a)(1); Cal. Code Regs., tit. 18, § 18567(a).) Appellant did not file his 2020 refund claim before April 15, 2025, four years from the original due date of his 2020 Form 540 and, therefore, the second four-year statute of limitations does not apply. (R&TC, §§ 19306(a), 18566.)

The one-year statute of limitations bars a refund of payments made more than one year before the claim for refund is filed. Appellant's income tax withholdings of $8,894 are deemed paid on the original return filing due date of April 15, 2021. (R&TC, § 19002(c)(1).) Appellant also made payments totaling $3,450 between October 5, 2023, and July 24, 2024. The withholdings and payments through July 24, 2024, are barred by the one-year statute of limitations because appellant filed his 2020 Form 540 on July 28, 2025, more than one year after the date of those payments. (R&TC, § 19306(a).) By way of the transfer and credit to the IRS, respondent refunded payments made from August 12, 2024, through July 29, 2025, totaling $3,200.88, because appellant made those payments to respondent within one year of filing the return.

On appeal, appellant asserts that the statute of limitations should be suspended due to issues related to COVID-19, including his inability to access his usual tax preparer.

Due to the COVID-19 pandemic, for the 2020 taxable year, respondent granted taxpayers a filing postponement from April 15, 2021, to May 17, 2021. However, the COVID-19 postponement did not extend past California's automatic extension date of October 15, 2021. Because appellant did not file his 2020 Form 540 until July 28, 2025, well-past California's automatic deadline of October 15, 2021, only the one-year statute of limitations was available to

him, as discussed above. As such, respondent granted appellant's refund to the extent he made payments to it during the one-year period ending on July 28, 2025.

The language of the statute of limitations is explicit and must be strictly construed. (*Appeal of Cornbleth*, 2019-OTA-408P.) Absent an exception, a taxpayer's untimely filing of a refund claim bars a refund. (*Appeal of Benemi Partners, L.P.*, 2020-OTA-144P.) Although the fixed deadlines may appear harsh, the occasional harshness is redeemed by the clarity imparted. (*Appeal of Estate of Gillespie*, 2018-OTA-052P.)

## HOLDING

But for payments of $3,200.88 made by appellant during the one-year period ending on July 28, 2025 (which were sent to the IRS), his claim for refund 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:
Asaf Kletter
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Asaf Kletter
Administrative Law Judge

Signed by:
E407D7E70D3E41C...
Hans Famularo
Administrative Law Judge

Date Issued: 9/2/2026