

Official Order Denying Refund: 04-20181298
Sales Tax
For The Tax Year of 2014

NOTICE: IC § 4-22-7-7 permits the publication of this document in the Indiana Register. The publication of this document provides the general public with information about the Indiana Department of Revenue's official position concerning a specific set of facts and issues. The "Holding" section of this document is provided for the convenience of the reader and is not part of the analysis contained in this Final Order Denying Refund.

HOLDING

Taxpayer failed to file a claim for refund before the three-year statute of limitations period expired. Therefore, the Department's initial denial of refund was correct.

ISSUE

I. Sales Tax—Refund.

Authority: IC § 6-8.1-9-1; *Dept. of State Revenue v. Caterpillar, Inc.*, 15 N.E.3d 579 (Ind. 2014).

Taxpayer protests denial of a claim for refund.

STATEMENT OF FACTS

Taxpayer is an Indiana business. On January 31, 2018, Taxpayer filed a request for refund for sales tax payments made on January 1, 2014 through December 31, 2014. The Department denied Taxpayer's initial refund claim because Taxpayer filed with an incorrect Tax Identification Number ("TID"). Taxpayer protested the denial and an administrative hearing was held. This Final Order Denying Refund results. Further facts will be supplied as required.

I. Sales Tax—Refund.

The Department originally denied Taxpayer's refund claim because Taxpayer filed with an incorrect TID. While the Department was correct in its initial denial, Taxpayer's claim is barred by the three-year claim period ("statute of limitations") applicable to all sales tax refund requests.

As a threshold issue, the Department notes that "[W]hen [courts] examine a statute that an agency is 'charged with enforcing . . . [courts] defer to the agency's reasonable interpretation of [the] statute even over an equally reasonable interpretation by another party.'" *Dept. of State Revenue v. Caterpillar, Inc.*, 15 N.E.3d 579, 583 (Ind. 2014). Thus, all interpretations of Indiana tax law contained within this decision shall be entitled to deference.

The Department correctly determined that Taxpayer is ineligible to claim a sales tax refund because Taxpayer filed its refund claim after the applicable statute of limitations period expired. IC § 6-8.1-9-1(a) states, in pertinent part, that:

If a person has paid more tax than the person determines is legally due for a particular taxable period, the person may file a claim for a refund with the department. Except as provided in subsections (j) and (k), *in order to obtain the refund, the person must file the claim with the department within three (3) years after the latter of the following:*

- (1) The due date of the return.
(2) *The date of payment.*
(*Emphasis added*).

Accordingly, IC § 6-8.1-9-1(a) specifically requires a taxpayer to file a claim for refund within three years of the payment due date. Taxpayer made retail sales tax payments January 1, 2014 through December 31, 2014, and the statute of limitations period to file a claim for refund began running those days. Thus, the statute of limitations period for this taxable period expired on December 31, 2017—three years after the date of payment. However, Taxpayer did not file a claim for refund until January 31, 2018—one month after the statute of limitations period expired. Consequently, the statute of limitations bars Taxpayer's refund claim.

FINDINGS

Taxpayer's claim for refund is denied.

July 11, 2018

Posted: 09/26/2018 by Legislative Services Agency
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