

Memorandum of Decision: 01-20191513R
Individual Income Tax
For The Tax Year 2015

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 Order Denying Refund.

HOLDING

Individual was granted an extension at the Federal level and therefore in Indiana. Because Individual timely filed his 2015 Indiana Income Tax Returns, he is entitled to the refund.

ISSUE

I. Tax Administration - Statute of Limitations.

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

Taxpayer protests the denial of his refund claim.

STATEMENT OF FACTS

Taxpayer is an Indiana resident. The Indiana Department of Revenue ("Department") denied the Taxpayer's claim for refund because he filed beyond the three year period required to file a refund claim. Taxpayer protests the denial and this Order Denying Refund results. Additional facts will be provided as necessary.

I. Tax Administration - Statute of Limitations.

DISCUSSION

Taxpayer's 2015 tax return was due April 18, 2016. The Internal Revenue Service ("IRS") granted an extension through October 15, 2016. Taxpayer filed his 2015 tax returns on October 15, 2019. On November 18, 2019 the Department denied Taxpayer's claim for refund.

"[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 Indiana Code provides guidance on filing a refund claim. IC § 6-8.1-9-1(a) provides:

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 later of the following:

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

IC § 6-8.1-6-1(c) provides:

The following apply only to a person's Indiana adjusted gross income tax return or a person's financial institutions tax return:

- (1) *If the Internal Revenue Service allows a person an extension on the person's federal income tax return, the corresponding due dates for the person's Indiana income tax returns are automatically extended for the same period as the federal extension, plus thirty (30) days.*
- (2) If a person petitions the department for a filing extension for the person's Indiana adjusted gross income tax return or financial institutions tax return without obtaining an extension for filing the person's federal

income tax return, the department shall extend the person's due date for the person's Indiana adjusted gross income tax return or financial institutions tax return for the same period that the person would have been allowed under subdivision (1) if the person had been granted an extension by the Internal Revenue Service.

(Emphasis added).

Taxpayer provided documentation establishing that the IRS granted an extension through October 15, 2016. Therefore, based on the statutes listed above, Taxpayer had until November 14, 2019 to file a refund claim. Based on additional documentation, Taxpayer filed his 2015 tax returns on October 15, 2019. Thus he timely filed the claim and is entitled to the refund.

FINDING

Taxpayer is sustained.

December 31, 2019

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