

**Final Order Denying Refund: 01-20200306**  
**Individual Income Tax**  
**For the 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 Final Order Denying Refund.

**HOLDING**

Individual's 2015 refund claim was filed outside of the statutory time period, thus the Department's refund denial was correct.

**ISSUE**

**I. Individual Income Tax - Refund Statute of Limitations.**

**Authority:** IC § 6-3-4-3; IC § 6-8.1-9-1; Income Tax Information Bulletin 18 (August 2014).

Taxpayer protests the Department's refund denial.

**STATEMENT OF FACTS**

Taxpayer is an individual who lives and works in Indiana. Taxpayer requested an extension to file his 2015 Indiana Individual Income Tax Return ("2015 Return") on April 18, 2016. Taxpayer filed his 2015 Return on March 19, 2020. On that return, Taxpayer claimed a refund of approximately \$13,000. That amount was later increased to approximately \$17,000 to account for an estimated payment. Taxpayer requested that \$13,000 be applied to his 2016 return and the remainder be refunded to him. The Indiana Department of Revenue ("Department") denied the refund as the claim was filed outside the statute of limitations. Taxpayer filed a timely protest indicating a desire to settle the matter, but no settlement offer was made. The Department contacted Taxpayer who then relayed as a settlement, he wanted his full refund. This is not a settlement that the Department can entertain, thus this Final Order Denying Refund results. Additional facts will be provided as necessary.

**I. Individual Income Tax - Refund Statute of Limitations.**

**DISCUSSION**

Taxpayer filed his 2015 Return claiming a refund on March 19, 2020. The Department denied Taxpayer's refund on the basis that Taxpayer failed to file his 2015 Return within the three-year statute of limitations.

According to IC § 6-3-4-3(1), individual income tax returns are due on "[t]he 15th day of the fourth month following the close of the taxable year." If an individual taxpayer wishes to extend the filing date of their return and they have a valid federal extension, that taxpayer automatically has an extension with Indiana, so long as the taxpayer includes a copy of the federal extension with their Indiana return. With a federal extension, Indiana will extend the due date of the Indiana return to thirty days beyond the federal extension period. Income Tax Information Bulletin 18 (August 2014), 20140827 Ind. Reg. 045140324NRA. Without a federal extension, an Indiana Form IT-9 must be filed to obtain an automatic extension of time to file a taxpayer's Indiana income tax return. The Form IT-9 must be filed "on or before the original due date of the Indiana individual income tax return." *Id.* The Form IT-9 extends the due date to the same date as a federal extension plus thirty days. *Id.* A federal extension is an automatic six-month extension. *Id.* Thus, with a timely filed Form IT-9, the due date of the return is November of the calendar year following the close of the tax year.

Also relevant here are the filing requirements for refund claims. When a taxpayer claims a refund, he or she "must file the claim with the [D]epartment within three (3) years after the latter of the following: (1) [t]he due date of the return [or (2) t]he date of payment." IC § 6-8.1-9-1(a). Indiana 2015 individual income tax returns were due April 15, 2016, therefore without an extension, Taxpayer had until April 15, 2019 to file his 2015 Return. Because Taxpayer filed his 2015 Return in March of 2020, he has surpassed the statute of limitations.

Taxpayer filed an extension request on his 2015 Return on April 18, 2016. As such, the extension was not filed timely and it is not clear whether the extension was based on a federal extension or was solely an Indiana extension. If the extension was timely and was based on a federal extension, the due date of the 2015 Return would have been October 17th of 2016. Thus, with the three-year statute of limitations for refund claims, the 2015 Return would have been due October 17th of 2019. If the extension was solely an Indiana extension, the due date of the 2015 Return would have been November 18th of 2019. Again, Taxpayer filed his 2015 Return in March of 2020 which was outside of the statute of limitations.

In summary, with or without a filing extension, Taxpayer filed his 2015 Return outside the statutory limits. Thus, the Department's denial was appropriate, and Taxpayer's protest is denied.

### **FINDING**

Taxpayer's protest is denied.

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