

Supplemental Final Order Denying Refund: 01-20200432
Individual Income Tax
For The 2015 Tax Year

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 did not file his refund request within the three-year statute of limitations. The Department was correct in denying the refund.

ISSUE

I. Individual Income Tax- Statute of Limitations.

Authority: [IC 6-8.1-9-1](#); *Dep't. of State Revenue v. Caterpillar, Inc.*, 15 N.E.3d 579 (Ind. 2014).

Taxpayer protests the denial of refund.

STATEMENT OF FACTS

Taxpayer is an Indiana resident. He temporarily worked in California in 2015. When Taxpayer filed his taxes, he paid all income tax to Indiana. Taxpayer did not pay income tax to California because he thought it was appropriately paid to Indiana. In 2020, Taxpayer was sent an assessment by the State of California for income tax on the income he earned in California in 2015. Taxpayer filed a request for a refund of the corresponding amount paid to Indiana for the 2015 tax year.

The Indiana Department of Revenue ("Department") denied the claim for refund of 2015 Indiana income taxes because it was filed outside the three-year statute of limitations. Taxpayer requested resolution with a hearing. Taxpayer failed to appear for the scheduled hearing.

Taxpayer then requested a re-hearing, and this request was granted. This Supplemental Final Order Denying Refund results. Additional facts will be provided as necessary.

I. Individual Income Tax - Statute of Limitations.

DISCUSSION

The Department denied Taxpayer's request for refund of income taxes paid for 2015, stating the request was outside the three-year statute of limitations under [IC 6-8.1-9-1](#). Taxpayer states that the statute of limitations should not apply as he was not aware that he owed income tax to California until 2020. Therefore, Taxpayer argues he is entitled to a refund for an overpayment to Indiana. Taxpayer protested the denial of refund.

As a threshold issue, a taxpayer is required to provide documentation explaining and supporting his or her challenge that the Department's position is wrong. "[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).

[IC 6-8.1-9-1\(a\)](#) affords a taxpayer a statutory right to file claim for refund. This statute provides in part:

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 refund with the department. . . [I]n 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.)**

The Department's records show that Taxpayer timely filed his initial income tax return on April 15, 2016. This means his amended return was due on or before April 15, 2019. Taxpayer requested the 2015 refund in August 2020. This is beyond the statutorily allowed statute of limitations as required by [IC 6-8.1-9-1\(a\)](#). While the Department understands that Taxpayer was unaware of the amount owed to California until after the statute of limitations had passed, Taxpayer has referred to no statute, regulation, or court case which would allow extension of the statute of limitations in such circumstances. Therefore, Department was correct when it denied the refund.

FINDING

Taxpayer's protest is denied.

December 6, 2022

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