

Memorandum of Decision: 02-20231217
Corporate Income Tax
For the Year beginning August 1, 2017, and ending July 31, 2018

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 determination.

HOLDING

Out-of-State Business demonstrated that it timely filed its amended Indiana corporate income tax return.

ISSUE

I. Indiana Corporate Income Tax - Statute of Limitations.

Authority: I.R.C. § 6072; I.R.C. § 6081; [IC 6-8.1-1-4](#); [IC 6-8.1-6-1](#); [IC 6-8.1-9-1](#); *Scopelite v. Indiana Dep't of Local Gov't Fin.*, 939 N.E.2d 1138 (Ind. Tax Ct. 2010); *Indiana Dep't of State Rev. v. Caterpillar, Inc.*, 15 N.E.3d 579 (Ind. 2014); [45 IAC 15-9-2](#).

Taxpayer protests the Department's denial, arguing that its amended return was filed within the three-year statute of limitations.

STATEMENT OF FACTS

Taxpayer is an out-of-state company doing business in Indiana. Taxpayer's fiscal year begins August 1 and ends July 31 the following year.

In 2019, Taxpayer filed its original Indiana corporate income tax return for the year ended July 31, 2018. That return was postmarked May 10, 2019. Taxpayer included a federal Form 7004 (Application for Automatic Extension of Time To File Certain Business Income Tax [] Returns).

On May 17, 2022, Taxpayer mailed an amended return for the year ended July 31, 2018, seeking a refund from the Indiana Department of Revenue ("Department"). The Department reviewed and, on July 25, 2022, denied Taxpayer's request, stating that the amended return was untimely.

Taxpayer protested the denial, requesting an administrative hearing and also asked that the Department make the final determination without a hearing based on the additional documents submitted. A hearing was scheduled, but Taxpayer or its representatives failed to attend the scheduled hearing. This final determination results based on the documents submitted and information available to the Department. Additional facts will be added as necessary.

I. Indiana Corporate Income Tax - Statute of Limitations.

DISCUSSION

The Department reviewed and denied Taxpayer's request on the basis that Taxpayer failed to timely file its amended return. The Department, in a letter, explained the following:

Indiana Code § 6-8.1-9-1 states that in order to receive a refund, a claim must be filed within three years after the due date of the return or date of payment, whichever is later. Your request and claim for a refund were filed outside of the time frame and thus must be denied for the following filing period: July 31, 2018[.]

Taxpayer, to the contrary, argued that it timely filed a federal extension (Form 7004). Taxpayer thus maintained that it timely filed its amended return within three-year statute of limitations pursuant to [IC 6-8.1-6-1\(c\)\(1\)](#) and [IC 6-8.1-9-1\(a\)](#).

The issue, therefore, is whether Taxpayer sufficiently demonstrated that it timely amended its return. Poorly

developed and non-cogent arguments are subject to waiver. *Scopelite v. Indiana Dep't of Local Gov't Fin.*, 939 N.E.2d 1138, 1145 (Ind. Tax Ct. 2010). When an agency is charged with enforcing a statute, the jurisprudence defers to the agency's reasonable interpretation of that statute "over an equally reasonable interpretation by another party." *Indiana Dep't of State Rev. v. Caterpillar, Inc.*, 15 N.E.3d 579, 583 (Ind. 2014).

The Department generally "has no legal method of generating a claim for refund. **A claim for refund can only be initiated pursuant to [IC 6-8.1-9-1](#).**" [45 IAC 15-9-2\(b\)](#) (**Emphasis added**). [IC 6-8.1-9-1\(a\)](#), in part, states:

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.

...

The claim must set forth the amount of the refund to which the person is entitled and the reasons that the person is entitled to the refund.

(Emphasis added).

[IC 6-8.1-6-1\(c\)\(1\)](#), in relevant part, offers:

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.

[IC 6-8.1-1-4](#) further provides:

"Due date" means the last date on which a particular act, such as filing a return or making a payment, may be performed and still be on time. If an extension of time is allowed for performing a particular act, the "due date" is the last day of the extension period.

Thus, when a taxpayer determines that it overpaid income tax, the taxpayer must timely file an Indiana income tax return or timely amend its income tax returns, stating the overpayment as prescribed by the Department in order to claim a refund. Such filing generally must comply with the three-year statute of limitations, as statutorily required. When the taxpayer properly requests and obtains an extension of due date to file its original return, the three-year statute of limitations applies accordingly.

In this instance, Taxpayer's fiscal year ended July 31, 2018. Under I.R.C. § 6072(a), Taxpayer was initially required to file its federal return on or before November 15, 2018. In October 2018, Taxpayer filed a federal Form 7004, obtaining an extension to file its original federal return. Pursuant to I.R.C. § 6081, the due date of Taxpayer's federal return was subsequently extended to May 15, 2019. In turn, for Indiana income tax filing purposes, the due date of Taxpayer's original Indiana income tax return was extended to June 14, 2019. The Department's records showed that Taxpayer's amended return was postmarked May 17, 2022, which was within three years.

In short, given the totality of the circumstances, the Department is prepared to agree that Taxpayer demonstrate that its amended return was filed within the three-year statute of limitations.

FINDING

Taxpayer's protest of the statute of limitations is sustained.

June 5, 2023

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