

**Memorandum of Decision Number: 04-20210054**  
**Sales Tax**  
**For the Tax Year 2020**

**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**

Indiana Business provided sufficient documentation to support that it was entitled to a refund.

**ISSUE**

**I. Sales Tax - Refund.**

**Authority:** IC § 6-8.1-9-1; [45 IAC 15-9-2](#).

Taxpayer protests the refund denial, claiming that it was entitled to the refund.

**STATEMENT OF FACTS**

Taxpayer is an Indiana company. In February 2020, Taxpayer filed a Form GA-110L, requesting a refund of sales tax.

The Indiana Department of Revenue ("Department") reviewed and denied Taxpayer's claim. In a March 18, 2021 letter, the Department explained the following:

The claim for refund did not include information necessary for the Department to verify the claim. We contacted you February 23, 2021[,] advising that additional supporting documentation must be received by this office within twenty (20) days. We did not receive the additional documentation necessary to process the claim.

Taxpayer protested the refund denial. This final determination ensues. Additional facts will be provided, as necessary.

**I. Sales Tax - Refund.**

**DISCUSSION**

The Department determined that Taxpayer was not entitled to the refund of tax paid because Taxpayer failed to provide the requested documentation necessary to support its refund claim. Taxpayer protested, submitting additional documentation to support its refund claim. The issue is whether Taxpayer demonstrated that it was entitled to the refund.

In general, if a taxpayer believes that it has overpaid the tax, the taxpayer is required to timely file a claim for a refund with the Department. Specifically, IC § 6-8.1-9-1(a), in relevant 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.

For purposes of this section, the due date for a return filed for the state gross retail or use tax, the gasoline tax, the special fuel tax, the motor carrier fuel tax, the oil inspection fee, or the petroleum severance tax is the

end of the calendar year which contains the taxable period for which the return is filed. 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).**

[45 IAC 15-9-2](#) further explains, in relevant part, that:

(b) **The department 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](#).**

...

(d) When filing a claim for refund with the department the taxpayer's claim shall set forth:

- (1) the amount of refund claimed;
- (2) a sufficiently detailed explanation of the basis of the claim such that the department may determine its correctness;
- (3) the tax period for which the overpayment is claimed; and
- (4) the year and date the overpayment was made.

**The claim for refund shall be filed on a form prescribed by the department.**

**(Emphasis added).**

Thus, when a taxpayer determines it overpaid tax, as in this case, the taxpayer must timely file the claim stating the overpayment as prescribed by the Department in order to claim a refund. IC § 6-8.1-9-1(a); [45 IAC 15-9-2](#). In addition to substantiating its refund claim, the taxpayer also must clearly state "the amount of the refund," a "detailed explanation of the basis of the claim such that the department may determine its correctness," "the tax period for which the overpayment is claimed," and "the year and date of the overpayment." [45 IAC 15-9-2\(d\)](#).

In this instance, the Department initially determined that Taxpayer was not entitled to the refund of tax paid because Taxpayer failed to provide the requested documentation to support its refund claim. Taxpayer subsequently submitted additional documentation to support its refund claim during the protest process. Therefore, the Department is prepared to agree that Taxpayer demonstrated that it was entitled to the refund.

#### FINDING

Taxpayer's protest is sustained.

June 22, 2021.

*Posted: 08/25/2021 by Legislative Services Agency*  
An [html](#) version of this document.