

Syllabus

NOTE: Where it is feasible, a syllabus (headnote) will be released, as is being done in connection with this case, at the time the opinion is issued. The syllabus constitutes no part of the opinion of the Court but has been prepared by the Reporter of Decisions for the convenience of the reader. See *United States v. Detroit Timber & Lumber Co.*, 200 U. S. 321, 337.

SUPREME COURT OF THE UNITED STATES

Syllabus

BARAL v. UNITED STATES

CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR
THE DISTRICT OF COLUMBIA CIRCUIT

No. 98–1667. Argued January 18, 2000– Decided February 22, 2000

Two remittances were made to the Internal Revenue Service toward petitioner Baral's income tax liability for the 1988 tax year: a withholding of \$4,104 from Baral's wages throughout 1988 by his employer, and an estimated income tax of \$1,100 remitted in January 1989 by Baral. Baral's income tax return for 1988 was due on April 15, 1989. Though he received an extension until August 15, he missed this deadline and did not file the return until June 1, 1993. On the return, he claimed a \$1,175 overpayment and asked the Service to apply this excess as a credit toward his outstanding tax obligations for the 1989 tax year. The Service denied the requested credit, concluding that the claim exceeded the ceiling imposed by 26 U. S. C. §6511(b)(2)(A), which states that "the amount of the credit or refund shall not exceed the portion of the tax paid within the period, immediately preceding the filing of the claim, equal to 3 years plus the period of any extension of time for filing the return." Since Baral filed his return on June 1, 1993, and received a 4-month extension from the initial due date, the relevant look-back period under §6511(b)(2)(A) extended from June 1, 1993, back to February 1, 1990 (*i.e.*, three years plus four months). According to the Service, Baral had paid no portion of the overpaid tax during that period, and so faced a ceiling of zero on any allowable refund or credit. Baral commenced this suit for refund in the Federal District Court, which granted the Service summary judgment. The Court of Appeals affirmed, concluding that both remittances were "paid" on April 15, 1989.

Held: Remittances of estimated income tax and withholding tax are "paid" on the due date of a calendar year taxpayer's income tax return. Sections 6513(b)(1) and (2) unequivocally provide that the two

Syllabus

remittances were “paid” on April 15, 1989, for purposes of §6511(b)(2)(A), so that they precede the look-back period, which began on February 1, 1990. Subsection (1) resolves when the remittance of Baral’s employer’s withholding tax was “paid,” and subsection (2) determines when his remittance of estimated income tax was “paid.” Because neither these remittances nor any others were “paid” within the look-back period, the ceiling on Baral’s requested \$1,175 credit is zero, and the Service was correct to deny that credit. Contrary to Baral’s claim, the withholding tax and estimated tax are not taxes in their own right (separate from the income tax), that are converted into income tax only on the income tax return. Rather, they are methods for collecting income taxes. And the Tax Code directly contradicts Baral’s notion that income tax is “paid” under §6511(b)(2)(A) only when the income tax is assessed. See §6151(a). His position also finds no support in *Rosenman v. United States*, 323 U. S. 658, and would work to the detriment of timely taxpayers, who would be denied interest for the time between filing a return claiming a refund or credit and the Service’s assessment. Pp. 3–9.

172 F. 3d 918, affirmed.

THOMAS, J., delivered the opinion for a unanimous Court.