

General Instructions

- Use blue or black ink to complete this claim for refund.
- This claim for refund is for use by taxpayers who have overpaid tax.
- This form may not be used to obtain an overpayment of sales and use taxes. Form E-588, Business Claim for Refund State, County, and Transit Sales and Use Taxes, must be completed and filed with the Department.
- This form may not be used as a substitute for filing an original tax return or for an amended individual income tax return or an amended corporate income and franchise tax return.
- In general, the statute of limitations for obtaining a refund of an overpayment is the later of three years after the due date of the return or two years after payment of the tax. For a claim for refund filed within the statute of limitations, the Department must take one of the following actions within six months after the date the claim for refund is filed: (1) send the taxpayer a refund of the amount shown due on the claim for refund; (2) adjust the amount of the refund shown due and send the taxpayer a refund of the adjusted amount; (3) deny the refund and send the taxpayer a notice of proposed denial; or (4) request additional information from the taxpayer. If the Department does not take one of the actions within six months, the inaction is considered a proposed denial of the requested refund. A taxpayer who objects to a proposed denial of a refund may request a Departmental review of the proposed action by filing a request for review within the time provided in N.C. Gen. Stat. § 105-241.11. If the Department selects a claim for refund for examination, the taxpayer has the same rights that the taxpayer would have during an examination of a return by the Department.

If the Department determines that a claim for refund was not filed within the statute of limitations, the refund request will be denied and the Department will issue a notice of denied refund. If the taxpayer disagrees with the Department's determination, the taxpayer may file a petition for a contested tax case at the Office of Administrative Hearings ("OAH"). If the taxpayer elects to file a petition with OAH and the court ultimately finds that the Department's determination that the statute of limitations for requesting a refund had expired is incorrect, the case will be returned to the Department for further consideration. The Department's notice of denied refund will provide the appeal procedures a taxpayer must follow to contest the Department's determination. If a taxpayer elects not to file a petition with OAH, the Department's determination will be final.

If you have questions about how to complete this claim, call the Taxpayer Assistance and Collection Center toll-free at telephone number 1-877-252-3052.

Line by Line Instructions

- Line 1 - Enter the total tax paid to the Department for the period included on this claim for refund.
- Line 2 - Enter the total amount of tax that should have been paid to the Department for the period included on this claim for refund.
- Line 3 - Subtract the tax on Line 2 from Line 1 and enter the difference. This is the total amount of refund requested.