2 T.C. 761 (1943)

The Tax Court lacks jurisdiction over a proceeding commenced more than 90 days after the mailing of a deficiency notice by registered mail, and an ordinary mailing of the same notice does not cure a defect in the prior registered mailing for jurisdictional purposes.

Summary

The Commissioner of Internal Revenue determined a deficiency in the Blocks' income tax and sent a notice by registered mail to an address where they no longer resided. The notice was returned undelivered. The Commissioner then remailed the notice by ordinary mail to another address. The Blocks eventually received the notice but filed their petition with the Tax Court more than 90 days after the original registered mailing but within 90 days of the ordinary mailing. The Tax Court held that it lacked jurisdiction because the petition was filed outside the statutory 90-day window triggered by the registered mailing. The court emphasized that the statute requires registered mailing to ensure certainty and that ordinary mailing does not suffice for jurisdictional purposes.

Facts

The Commissioner determined a deficiency in Oscar and Esther Block's income tax for 1941.

On April 8, 1943, the Commissioner sent a deficiency notice by registered mail to the Blocks at 2025 Eye Street, N.W., Washington, D.C.

The Blocks had moved from that address, and the notice was returned to the sender.

The Blocks' tax return for the relevant period was filed with the Collector for the District of Maryland.

On April 30, 1943, the Commissioner remailed the deficiency notice by ordinary mail to the Blocks, care of the U.S. Housing Authority in Washington, D.C., based on information that Oscar Block was employed there.

The U.S. Housing Authority forwarded the notice to its Chicago office, and the Blocks eventually received it, although the exact date of receipt was not established.

The Blocks filed a petition with the Tax Court on July 22, 1943, more than 90 days after the registered mailing but less than 90 days after the ordinary mailing.

Procedural History

The Commissioner moved to dismiss the proceeding for lack of jurisdiction, arguing that the petition was filed more than 90 days after the mailing of the deficiency

© 2025 SCOTUSreports.com. All rights reserved.

notice as required by statute.

The Tax Court considered the Commissioner's motion and the Blocks' opposition.

Issue(s)

Whether the Tax Court has jurisdiction over a petition filed more than 90 days after the registered mailing of a deficiency notice, where the notice was subsequently remailed by ordinary mail and the petition was filed within 90 days of the ordinary mailing.

Holding

No, because the statute requires that a petition be filed within 90 days of a deficiency notice sent by registered mail, and an ordinary mailing does not satisfy this requirement or extend the filing deadline.

Court's Reasoning

The Tax Court emphasized that its jurisdiction is strictly defined by statute. According to Section 272 (a) (1) Internal Revenue Code, a taxpayer has 90 days from the date the deficiency notice is mailed by registered mail to file a petition with the Tax Court.

The court cited several prior cases, including John A. Gebelein, Inc., 37 B. T. A. 605, holding that mailing a notice by ordinary mail does not comply with the statute and does not confer jurisdiction on the Tax Court.

The court reasoned that Congress specifically required registered mail to eliminate uncertainty about the start of the 90-day period. Allowing the ordinary mailing to extend the deadline would undermine this purpose.

The court distinguished the case of Dilks v. Blair, 23 Fed. (2d) 831, which allowed an extra day for filing due to a delay by the post office, noting that there was no showing of fault on the part of the Commissioner in this case, nor were the taxpayers free from fault.

The court stated, "Congress clearly stated that the mailing should be by registered mail and that the 90-day period should start from that date. It undoubtedly had a purpose in this and one of its purposes was, no doubt, to eliminate, as far as possible, any uncertainty as to the beginning of this critical period."

Practical Implications

This case reinforces the strict interpretation of the statutory requirements for Tax Court jurisdiction. It highlights the importance of the IRS using registered mail when sending deficiency notices and the taxpayer's responsibility to file a petition

© 2025 SCOTUSreports.com. All rights reserved.

within 90 days of that mailing. Taxpayers must ensure the IRS has their correct address, although the IRS is permitted to send notice to the taxpayer's last known address.

The decision clarifies that subsequent mailings by ordinary mail do not extend the statutory filing deadline. This ruling affects how tax practitioners advise clients on procedural matters related to Tax Court litigation, emphasizing the need for timely action following the registered mailing of a deficiency notice. Later cases follow this precedent, emphasizing the jurisdictional requirement of timely filing after registered mailing.

© 2025 SCOTUSreports.com. All rights reserved.