McGuire v. Commissioner, 52 T. C. 468 (1969)

The 90-day and 150-day periods for filing a petition in the U. S. Tax Court include all calendar days, except that if the last day falls on a weekend or legal holiday, it extends to the next business day.

Summary

Julie K. McGuire received a notice of deficiency from the IRS while abroad and filed her petition to the Tax Court 175 days later. The key issue was whether the 150-day filing period for non-U. S. residents included all calendar days or only business days. The court held that the statutory periods under section 6213(a) of the Internal Revenue Code mean calendar days, dismissing McGuire's petition as untimely because it was filed beyond the 150-day limit. The ruling clarifies that the filing deadlines include weekends and holidays, except when the last day falls on a non-business day, impacting how taxpayers and their attorneys calculate filing deadlines.

Facts

Julie K. McGuire received a notice of deficiency from the IRS dated and mailed on September 20, 1968, while she was outside the United States. She filed a petition with the U. S. Tax Court on March 17, 1969, which was postmarked March 14, 1969. This was 175 days after the notice of deficiency was mailed. The IRS moved to dismiss the case, arguing that the petition was not filed within the 150-day period prescribed by section 6213(a) of the Internal Revenue Code for non-U. S. residents.

Procedural History

The IRS issued a notice of deficiency to McGuire on September 20, 1968. McGuire filed her petition with the Tax Court on March 17, 1969. The IRS subsequently moved to dismiss the case for lack of jurisdiction on April 14, 1969, due to the untimely filing of the petition. McGuire objected to the motion on May 9, 1969, arguing that the 150-day period could be interpreted as business days. The Tax Court granted the IRS's motion to dismiss on June 17, 1969.

Issue(s)

1. Whether the 90-day and 150-day periods prescribed in section 6213(a) of the Internal Revenue Code for filing a petition with the U. S. Tax Court include all calendar days or only business days.

Holding

1. No, because the court interpreted the statutory periods to mean calendar days, including weekends and holidays, except when the last day falls on a non-business day, extending the period to the next business day. McGuire's petition was untimely filed 175 days after the notice of deficiency, exceeding the 150-day limit.

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Court’s Reasoning

The court reasoned that the language of section 6213(a) clearly specifies that the 90-day and 150-day periods include all calendar days, with the exception that if the last day falls on a Saturday, Sunday, or legal holiday in the District of Columbia, the period extends to the next business day. The court emphasized that the statute does not limit these periods to business days. It cited Rule 61 of the Tax Court Rules of Practice, which supports the inclusion of all days in computing time periods. The court also referred to prior cases where the interpretation of these periods as calendar days was implicitly applied. The court rejected McGuire’s argument that the periods could be interpreted as business days, noting that such an interpretation would necessitate further legislative definition or case-by-case determination of what constitutes a business day. The court concluded that the clear and ordinary meaning of the statute supports the inclusion of all calendar days in the calculation of the filing period.

Practical Implications

This decision establishes that taxpayers must count all calendar days, including weekends and holidays, when calculating the time to file a petition with the U. S. Tax Court under section 6213(a), unless the last day falls on a non-business day. This ruling affects how attorneys and taxpayers calculate filing deadlines, ensuring they are aware that the periods are not limited to business days. It also reinforces the jurisdictional nature of timely filing, impacting legal practice by requiring strict adherence to these time limits. Businesses and individuals abroad must be particularly vigilant about these deadlines, as missing them can result in the dismissal of their case. Subsequent cases have consistently applied this ruling, further solidifying the interpretation of the statute.

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