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Federal Circuit: Jurisdiction for tax overpayment interest claims

The U.S. Court of Appeals for the Federal Circuit today held that 28 U.S.C. § 1346(a)(1) does not provide federal district courts with jurisdiction over “stand-alone” tax overpayment interest claims exceeding \$10,000.

The Federal Circuit concluded that the “plain language of § 1346(a)(1) excludes overpayment interest claims....”

The taxpayer filed a complaint against the government in federal district court, seeking interest on federal tax overpayments pursuant to Code section 6611. The government moved to sever the taxpayer’s overpayment interest claims exceeding \$10,000 and to transfer these claims to the U.S. Court of Federal Claims or, alternatively, to dismiss them for lack of subject matter jurisdiction. The district court denied the government’s motion.

The government appealed, and today, the Federal Circuit vacated and remanded the matter.

The case is: *Bank of America Corp. v. United States*, 2019-2357 (Fed. Cir. July 2, 2020). Read the Federal Circuit’s [decision](#) [PDF 152 KB]

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