



TIPS FOR Filing Taxes **LATE**

As with any deadline, sometimes, and for whatever reason, missing the tax deadline just can't be helped. Here's what to do when this happens.

> KEEP CALM

There is no need to panic. Yes, missing the deadline is a cause for concern and not to be taken lightly. But panicking will not solve anything. Remain calm so you can think straight. Instead, prepare and make plans to file and file it as soon as you can.

> FILE AS SOON AS POSSIBLE

If you owe taxes, you should make arrangements to **file and pay the soonest and quickest time possible**. The **penalty** for filing late is 5% of your amount due with your return for each month you are late and at least \$100 if you are 60 days late. However, if you are due a refund, there is no penalty for filing late. In any case, filing as soon as you can will help keep interest and any applicable penalties to a minimum.



> FILE FOR AN AUTOMATIC EXTENSION IF YOU NEED MORE TIME

- Use **Tax Form 4868** to get an extension
- An **extension** is usually 6 months from the original tax deadline.
- Gives you extra time to file your return ONLY
- Does not grant extension of time to pay for your taxes
- Avoid **penalties** for filing late
 - 5% of the amount due with your return for each month you are late
 - If you are 60 days late, the penalty is a minimum of \$100 or 100% of the tax due with the return, whichever is less
- The penalty is wiped out when an extension is filed
- If you have reasonable cause, you may **file for a request for an abatement of penalties**
- Special extension rules may apply if:
 - **Serving in a combat zone or a qualified hazardous duty area**
 - **Living outside the United States**
 - Check the IRS website for eligibility for tax extensions that may apply. If you were affected by recent natural disasters like Hurricane Maria, you are entitled to an extension.



> TAKE ADVANTAGE OF IRS E-FILE

- If you are qualified, you can use the **IRS Free File** until October 15 to file returns electronically.
- Use the **IRS Free File** or **Fillable Forms** to do your own taxes
- **Get help from Free Tax Return Preparation websites**
 - IRS Volunteer Income Tax Assistance (VITA)
 - Tax Counseling for the Elderly (TCE)
- Use a commercial tax preparation software
- Ask an authorized IRS E-file provider to process your returns

> PAY AS MUCH AS YOU CAN

- Don't stress if you can't pay all at once. Pay what you can when you file and pay the remaining balance of what you owe as soon as possible to keep any interest and penalties to a minimum
- There are several ways to **pay your taxes**:
 - By wiring your payment through your bank account
 - By paying cash through a retail partner
 - By using your debit/credit card through an online payment processor
 - By using the IRS2Go app
 - By using the Electronic Federal Tax Payment System (best option for businesses or large payments)
 - By mailing your check or money order
 - By assigning a payment schedule when you e-file



> PAYMENT PLANS AND AGREEMENTS

Apply for a full-payment agreement if you can pay your entire bill within 120 days. You may apply for an installment agreement if you need more than 120 days to pay off your debt; additional fees will be applied if you choose this plan.

> PLAN FOR TAX SEASON NEXT YEAR

Tax season is always stressful but it doesn't mean that you can't beat it!

Plan ahead by tracking your income and expenses

- Use a personal finance app or software
- Scan your receipts and keep them organized in a designated folder (keep back ups)
- Reduce tax liability by making charitable contributions or doing volunteer work before the year ends
- Lower your taxable income by contributing to your retirement funds.
- Hire a credible tax preparer to handle next year's taxes for you