

FILING EXTENSION - GET MORE TIME TO FILE, NOT TO PAY

Sometimes the tax deadline arrives and you are simply not ready to file. But, if you choose to file for an extension, **don't make the mistake of not paying**. Filing for an extension gives you more time to *file*, not more time to *pay*. If you owe taxes, they are due on the regular filing deadline.

Now that you know the IRS still expects payment for taxes owed by the regular filing deadline, you may be wondering if you have a good reason to file for an extension. The IRS doesn't actually require a valid reason. But some of the more common reasons taxpayers file for an extension include:

Missing or incorrect information. You cannot file your tax return without certain forms. Often taxpayers find they are waiting on LLC business tax forms, like a Schedule K-1. It's also possible that you have a W-2 or a 1099 with errors. If you have to wait for a corrected form, you might not make the tax filing due date and need an extension.

Self-employment retirement contributions. Taking advantage of a tax filing extension allows you more time to fund a SEP IRA, Solo 401(k), and SIMPLE plan. Be aware, however, that this does not apply to Traditional or Roth IRAs. IRAs must be funded by April 18.

Natural disasters. If you live in an area affected by a natural disaster, the IRS will allow a filing extension. Check IRS.gov to find out if your area has been granted an extension.

Military members serving overseas. Taxpayers who are serving outside the U.S. can file an extension, but they must still pay taxes due by the filing deadline. Taxpayers who are serving in a combat zone can defer filing income tax returns and paying taxes up to 180 days after the end of their service in the zone.

Life events. Marriage, the death of a family member, having a baby, or dealing with a divorce can be stressful. Adding the stress of tax season may be too much. Filing for an extension can give you the time you need, so you have time to focus on your tax return later in the year.

Remember, regardless of your reason for filing for an extension, the IRS still expects you to pay the taxes you owe by the regular filing deadline. If you don't file for the extension, you face interest due and late-filing penalties.

Each situation is unique. Give us a call and we can help answer your questions.