

**State Responses to Requests for One-Month Late Filing Penalty Relief**

(Last Updated October 16, 2019)

State	Full Response
Alabama	<p>ADOR News Release (9/4/2019):</p> <p>The Alabama Department of Revenue is providing relief from late-filing penalties for certain corporate taxpayers who are encountering difficulties meeting October state filing deadlines while trying to also file their federal returns by the October federal deadline. Adding to this challenge is the complexity associated with the continued implementation of the Tax Cuts and Jobs Act.</p> <p>Because some corporate taxpayers may not be able to meet the state’s Oct. 15 filing deadline due to federal filing challenges, ADOR will consider such circumstances as requested by taxpayers to determine whether they sufficiently establish reasonable cause to grant penalty relief for late filing. <b>Affected returns must be filed by Nov. 15, and requests for relief must be in writing.</b> Requests for relief will be considered on a case-by-case basis.</p> <p>For more information, contact ADOR at 334-242-1200.</p> <p><a href="https://revenue.alabama.gov/2019/09/04/ador-offering-relief-to-corporate-taxpayers-affected-by-tcja/">https://revenue.alabama.gov/2019/09/04/ador-offering-relief-to-corporate-taxpayers-affected-by-tcja/</a></p>
Alaska	<p>Response from Michael Williams, Corporate Income Tax Manager, Alaska Department of Revenue:</p> <p>Please be advised that Alaska automatically grants an additional 30-days beyond the federal due date (including extensions) to file the state corporate income tax return. See AS 43.20.030(a). With the extended federal due date of 10/15, the state return will be due 11/15.</p>
Arizona	<p>Deputy Director Grant Nülle:</p> <p>Thank you for your email and the documentation you prepared in support of COST’s request for “penalty relief” for late filing of corporate income tax returns. Arizona Department of Revenue (ADOR) staff and I have reviewed your request and the supporting information you provided.</p> <p>As you know, Arizona law requires corporate income returns based on calendar year-ending to be filed on April 15th of each year. The Arizona Department of Revenue may grant an extension of this deadline to October 15th. Failure to meet the extended deadline will subject the filer to penalties. Taxpayers seeking to request abatement of an assessed penalty must follow</p>

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	<p>established procedures and submit a written request to the department. Such requests are reviewed and a determination is made on a case-by-case basis. The department does not grant “penalty relief” or anticipatory abatement of penalties that have not yet been assessed.</p> <p>We applaud the efforts made by corporate taxpayers to meet Arizona’s filing requirements. For those unable to comply by the filing deadline, we invite them to utilize Arizona Form 290 to request a penalty abatement. Please visit the department’s website at <a href="https://azdor.gov/collections-business/penalty-abatement">https://azdor.gov/collections-business/penalty-abatement</a> for more information regarding the penalty abatement process in Arizona.</p>
California	<p>Response from Craig Scott, Tax Counsel IV:</p> <p>FTB cannot extend the extended due date beyond the October 15 due date for filing a C corporation return. If a taxpayer files a return beyond the extended due date and receives a penalty for filing late, the taxpayer may request abatement of the penalty upon a showing of reasonable cause. FTB will consider a request for penalty abatement for reasonable cause on a case by case basis.</p> <p>If you have any additional questions, please let me know. Thank you</p>
Colorado	<p>Response from Deputy Director Brendon Reese:</p> <p>We received a similar inquiry from Mary Medley with the Colorado Society of CPAs and provided the answer below:</p> <p>Thank you for reaching out to the Department of Revenue regarding this request for penalty relief. As you know, Colorado's income tax structure is coupled to federal tax code, and it is considered a rolling conformity state. This means that we do not need to offer specific state-level guidance due to the changes associated with the Tax Cuts and Job Act, and we do not see the need to offer the relief requested. We may consider penalty relief on a case by case basis for cause; however, we have no plans to grant systemic penalty relief as requested by the AICPA. Additionally, we do not view difficulty in complying with federal tax law as a reason to offer penalty waivers as suggested.</p> <p>If you have any questions, please let me know.</p>
Delaware	<p>Director Jennifer Hudson:</p> <p>We have had the opportunity to consider the COST request and have determined that we will provide automatic penalty relief for those returns that are filed by November 15. We plan to incorporate a grace period into our system for this year only. However, if any taxpayer receives a penalty assessment and they otherwise meet the criteria for the penalty relief, they should file a protest</p>

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	<p>with the Tax Conferee using the same process that we published last year. The taxpayer’s request for abatement of late filing penalties due to reasonable cause should be submitted by email to: <a href="mailto:taxconferee@delaware.gov">taxconferee@delaware.gov</a>, or in writing to:</p> <p>Campbell Hay, Esquire Tax Conferee Delaware Division of Revenue P. O. Box 8714 Wilmington, DE 19801</p> <p>If you require any additional information or if you have any questions or concerns, please let me know.</p> <p>Department’s Announcement available here: <a href="https://news.delaware.gov/2019/09/26/revenue-offers-assistance-to-corporate-tax-filers/">https://news.delaware.gov/2019/09/26/revenue-offers-assistance-to-corporate-tax-filers/</a></p>
Florida	No Response
Georgia	<p>Frank O’Connell, General Counsel and Director, Tax Policy:</p> <p>On behalf of Commissioner Curry, below is the official position of Georgia with respect to penalty relief for late filing if a return is filed after the October 15<sup>th</sup> due date, but filed no later than November 15<sup>th</sup>:</p> <p>“The Georgia Department of Revenue will not revise existing filing requirements at this time since it does not have the statutory authority to grant an extension of more than 6 months. However, the Department will consider late filing penalty waivers on a case by case basis. For consideration, reasonable cause must be established in the request and late filing due to federal tax reform would qualify. This only applies to Corporate Income tax returns that are filed up to one month past the due date (with extensions) and does not include waiver of interest.</p> <p>Penalty waivers must be submitted electronically on the Georgia Tax Center after a proposed assessment has been issued, and this must be done within 30 days of the issue date of the proposed assessment letter. Include the statement “Late Filing Due to Federal Tax Reform”.”</p> <p>Thank you for disseminating the State’s position. We will also be sending this to our income tax listserv as an Informational Bulletin and posting it to the Department’s website. Please don’t hesitate to contact me if you have any questions.</p>
Hawaii	No Response
Idaho	Response from Thomas C. Shaner, Tax Policy Manager:

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	<p>Chairman Harris asked me to respond to you about the COST request for automatic penalty waiver. For Idaho, we are going to repeat the same practice as last year and look at taxpayers on a case-by-case basis. I checked with our revenue operations Division Administrator and he did not remember any requests to waive penalties for the 2017 returns, so it doesn't seem to have been a problem for Idaho filers. Also, our penalty statutes are based on the tax due, so if sufficient estimated payments are made, there really isn't a penalty for the return being filed a month late.</p>
Illinois	<p>Response from Director David Harris:</p> <p>Thank you for your e-mail and COST's recommendation that the IL Dept of Revenue provide penalty relief for certain corporate late tax filings.</p> <p>We are IDoR recognized the complexity and changes related to the Tax Cut &amp; Jobs Act that impacted last year's returns; however, we do not sense that those same exigencies exist this year due to the time elapsed to adjust to the TCJA.</p> <p>I will review this further with my staff counsel and others on the team, but my initial response as of now would be that IL will not provide automatic late-filing penalty relief.</p>
Iowa	<p>Response from Ben Clough, Tax Attorney Iowa Department of Revenue:</p> <p>The email that you sent to Director Paulsen requesting automatic penalty relief for all corporate income tax filers who file Iowa returns within 30 days of the due date of their federal returns has been forwarded to me for reply.</p> <p>The Iowa Department of Revenue will not grant advanced confirmations or denials of requests for penalty waivers.</p> <p>Iowa has an October 31 deadline for calendar year filers who qualified for an automatic six month extension (fiscal year filers would qualify for a similar extension based on their original return due date). After that deadline, a penalty is automatically incurred and may only be waived under the circumstances enumerated in Iowa Code section 421.27. Any corporation may request a penalty waiver once a penalty has been assessed if they meet one of the grounds enumerated in the statute. One of the grounds for waiver is paying at least 90% of the amount owed by the due date.</p> <p>See also <a href="https://tax.iowa.gov/penalty-exception-provisions">https://tax.iowa.gov/penalty-exception-provisions</a></p> <p>Here is a link to the penalty waiver request form: <a href="https://tax.iowa.gov/sites/default/files/idr/forms1/PenaltyWaiverRequest%2878629%29.pdf">https://tax.iowa.gov/sites/default/files/idr/forms1/PenaltyWaiverRequest%2878629%29.pdf</a></p> <p>If you have any questions, please feel free to contact me</p>
Kansas	<p>Department of Revenue Notice 19-05 (October 1, 2019) – available at: <a href="https://www.ksrevenue.org/taxnotices/notice19-05.pdf">https://www.ksrevenue.org/taxnotices/notice19-05.pdf</a></p>

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	<p>The extended filing date of October 15, 2019, for the Kansas corporate income tax return is the same due date as the federal return. To allow a taxpayer more time to accurately file its Kansas corporate income tax return, and as long as a corporate income taxpayer has a properly extended federal return due date to October 15, 2019, the Kansas Department of Revenue will waive the imposition of the late filing penalty. For any fiscal filer with a tax year beginning in 2018 and a properly extended federal return due date, the Kansas Department of Revenue will waive the imposition of the late filing penalty as long as the Kansas income tax return is filed within an additional month of the federal extended due date.</p> <p>The Kansas Department of Revenue will consider elections as made on a timely filed income tax return if the elections are made on a 2018 corporate income tax return filed by November 15 (or with an additional month on a 2018 corporate income tax return for a fiscal year corporation) under this penalty relief.</p> <p>Note, this penalty relief only applies to the filing of the 2018 original Kansas corporate income tax return. As applicable, interest and penalties for late payment of the tax may still apply. To utilize this extension, a taxpayer should mark on its return that it is seeking “an October 15 to November 15 Penalty Relief Extension.” Failure to file by the November 15, 2019, date, unless abated by the Kansas Department of Revenue, will result in the imposition of a late filing penalty based on the October 15, 2019, due date.</p>
Kentucky	<p>From Kentucky DOR News Release (9/9/2019):</p> <p>During the 2019 regular session, the General Assembly enacted a new 7-month extension for C-corporations by amending KRS 141.170 (2019 HB 354, Section 45). Therefore, C-corporations that file a valid extension on or after June 27, 2019, will now be granted a 7-month extension.</p> <p>In addition, under the authority of KRS 131.175 the Department of Revenue will waive any late filing penalty for C-corporation taxpayers with tax years beginning on or after January 1, 2018, if they have timely filed an extension prior to June 27, 2019, and they file their tax return up to 30 days later than the extended due date.</p> <p>The 2018 tax forms and instructions do not state the revised due date since the legislative change was enacted in 2019, after the forms and schedules were published.</p> <p>Information about the Kentucky corporation tax can be found at <a href="https://revenue.ky.gov/Pages/index.aspx">https://revenue.ky.gov/Pages/index.aspx</a></p> <p>Please submit specific questions by email to <a href="mailto:todd.renner@ky.gov">todd.renner@ky.gov</a> or call 502-782-6081.</p>
Maine	<p>Executive Director Jerome Gerard:</p> <p>Affected taxpayers are encouraged to contact MRS. Our agency treats this on a case-by-case basis.</p>

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Mississippi	<p>Associate Commissioner Jan Craig:</p> <p>The Department of Revenue is not able to grant an automatic waiver of penalty for corporate income tax filers as requested. If penalty is assessed by the Department for a late filed return, we will grant a penalty abatement request if the taxpayer has not previously received a penalty abatement. In other cases, we will consider an abatement request on a case by case basis depending on the specific facts and circumstances.</p> <p>Please let me know if you have any additional questions.</p>
Missouri	<p>Response from Mark D. Godfrey, Director, Taxation Division</p> <p>Thank you for your communication to Missouri regarding the request for an automatic one month waiver from the federal extension due date. I apologize for the delay in our response.</p> <p>Missouri has agreed to follow the same procedure as last year and review these requests on a case-by-case basis. The taxpayer is required to submit a written request with an explanation as to why they need an additional extension of 30 days to file their Missouri tax return. These requests will be reviewed for a waiver of the estimated tax penalty (MO-2220) and/or additions to tax for failure to file or pay penalty.</p> <p>If you need further information or have any questions, please feel free to contact me.</p>
New Jersey	<p>Response from Director John Ficara:</p> <p>We have provided for the one month extension. Notice was just posted to our website.</p> <p><a href="https://www.state.nj.us/treasury/taxation/30day-penalty-relief.shtml">https://www.state.nj.us/treasury/taxation/30day-penalty-relief.shtml</a>):</p> <p>The extended filing date for the 2018 New Jersey Corporation Business Tax Return on October 15, 2019, is the same due date as the federal return. We will automatically waive the late filing penalty for a corporation business taxpayers with a properly extended federal return due date of October 15, 2019, if the return is filed by November 15, 2019 for extended calendar year corporations (or filed within an additional month of the extended due date for 2018 returns for fiscal year corporations).</p> <p>We will consider elections made timely, if the elections are made on a 2018 New Jersey Corporation Business Tax Return filed by November 15 (or within an additional month for an extended 2018 return for a fiscal year corporation). Interest and penalties for late payment of the tax may still apply. Failure to file by the November 15, 2019, date may result in the imposition of a late filing penalty based on the October 15, 2019, due date.</p>

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	<p>The New Jersey Division of Taxation on October 4 issued a <a href="#">notice</a> that fiscal year taxpayers with original return due dates of November 15 and December 15 will be granted an automatic extension to January 15, 2020, and a late filing penalty waiver because return forms are still being finalized.</p>
New Mexico	No Response
North Carolina	<p>Response from Anthony Edwards, Assistant Secretary:</p> <p>Secretary Penny asked me to respond to your request regarding filing penalty relief for North Carolina corporate taxpayers. Our response mirrors last year’s response. The Department recognizes that a limited number of taxpayers may not be able to file a timely North Carolina tax return as a result of the complexity of federal income tax changes and as a result the extended federal deadline which is now the same as the extended state deadline. The Department will consider these factors as special circumstances in granting a penalty waiver for failure to timely file a corporate income and franchise tax return assuming there are reasons provided by the taxpayer on Form NC-5500 (Request to Waive Penalties). We believe that the Department’s current penalty policy is flexible enough to accommodate legitimate request and, accordingly, that no “Important Notice” deviating from our current policy is appropriate.</p>
Rhode Island	<p>Advisory For Tax Professionals (ADV 2019-27)</p> <p>“ . . . If, at the time of filing the extended return, there is an additional tax due, late-payment penalty and late-filing penalty would normally apply on the unpaid tax. If the entire balance due is paid on time, but the return is filed late, the late-file penalty would normally apply as provided under Rhode Island General Laws § 44-11-26 (“Pecuniary penalty for failure to file return or to pay tax or for negligence”). However, the Tax Administrator will consider requests to waive penalties to the extent those penalties are attributable to tax law changes brought about by the federal Tax Cuts and Jobs Act (TCJA) – and efforts to comply with those changes.</p> <p>To request penalty relief as described above, taxpayers must submit a written penalty waiver request in the form of a letter to the Division of Taxation and provide documentation to support their request. Send the letter separately from the return (whether the return is filed electronically or on paper). Use the following address:</p> <p>Rhode Island Division of Taxation  “TCJA Penalty Relief”  One Capitol Hill  Providence, R.I. 02908 . . .”</p> <p><a href="http://www.tax.ri.gov/Advisory/ADV_2019_27.pdf">http://www.tax.ri.gov/Advisory/ADV_2019_27.pdf</a></p>

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South Carolina	<p>Deputy Director, Policy Deana West:</p> <p>Director Powell and I have discussed your request from COST urging states with corporate tax filing deadlines less than 30 days after the federal deadline (October 15) to provide penalty relief for late filing if the return is in fact filed within one month of the federal due date (November 15) because of the complexity of changes in federal tax reform and state implementation.</p> <p>At this time, the SCDOR will not be issuing a blanket penalty waiver. We do have a penalty waiver procedure available to any taxpayer seeking a penalty waiver. This procedure is outlined in SC Revenue Procedure 08-6 A copy can be obtained on our website.</p> <p>Please let me know if I can be of further assistance.</p>
Tennessee	<p>Response from Commissioner David Gerregano:</p> <p>. . . As we have discussed in prior years, I cannot extend the deadline for filing a return. However, I do appreciate the difficult situation federal tax reform created for some taxpayers endeavoring to file federal and state returns due on October 15 that have been impacted by the complex changes. Like last year, the department will plan to provide penalty relief to affected taxpayers on a case-by-case basis. In light of the low number of penalty waivers requested on this basis last year, this seems to be a reasonable approach. In anticipation of questions and concerns related to the upcoming October 15<sup>th</sup> due date, we have posted information on our website regarding requesting a penalty waiver. Please follow the link below: <a href="https://revenue.support.tn.gov/hc/en-us/articles/360034187012">https://revenue.support.tn.gov/hc/en-us/articles/360034187012</a></p> <p>As always we appreciate your input.</p>
Utah	<p>Response from Commissioner John L. Valentine:</p> <p>We do not give automatic waivers for late filing penalties and therefore cannot accept the COST proposal as written. However as we did last year, we will liberally grant <u>requests</u> for waivers of late corporate filing penalties for returns filed within one month of the filing date for the October 15, 2019 extension filings. In essence, we will follow the same practice as last year for this filing period. Please review my response of last year if you have any questions. We especially recognize compliance issue burdens on multi-national corporations but will treat all corporate filers in the same fashion.</p>
West Virginia	<p>Tax Commissioner Dale W. Steager:</p> <p>We will not be participating in an additional one month automatic extension of time. If a company needs additional time to complete the WV return, they may in writing request an additional extension and explain why the additional time is needed.</p>