

Filing Past-Due Returns

12

Income Tax Fact Sheet 12

Fact Sheet

This fact sheet is intended to help people who have failed to file one or more of their Minnesota individual income tax returns and are trying to get caught up. They often have questions about the filing requirements for past years, penalties and interest, time limitations and what happens if returns are not filed. This fact sheet should help answer those questions.

Filing Requirements

Generally, you are required to file a Minnesota return if you have Minnesota gross income that meets or exceeds the minimum filing requirement for the year (see chart at right). Or, if your Minnesota gross income is less than the minimum filing requirement for the year and you want to claim credits for which you may qualify (the education credit, working family credit, child care credit, a credit of withholding tax paid, etc.), you must file a Minnesota return.

If you are required to file, be sure to file your Minnesota return even if you owe additional tax and you cannot pay the full amount.

Full-Year Residents

Your Minnesota gross income includes income you received from all sources, regardless of where it was earned or where the property or business that produced it was located. This includes:

- Wages, salaries, fees, commissions, tips, and bonuses
- Unemployment or reemployment compensation
- Interest and dividends
- Alimony
- Farm income
- Gross income (income before deductions or expenses) from a business
- Capital gains
- IRA distributions, pension, profit sharing, and annuity payments
- Gross rents and royalties
- Income received from an estate or trust
- Income from the sale of property or distribution of business assets
- Gross winnings from gambling

| Minimum Filing Requirements | | | | | |
|-----------------------------|--------------|------------------------|-----------------|--------------------------|---------------------------|
| Year | Under Age 65 | | 65 and Older | | |
| | Single* | Married, both under 65 | Single or older | Married, one 65 or older | Married, both 65 or older |
| 2018 | \$10,650 | \$21,300 | \$12,250 | \$22,600 | \$23,900 |
| 2017 | 10,400 | 20,800 | 11,950 | 22,050 | 23,300 |
| 2016 | 10,350 | 20,700 | 11,900 | 21,950 | 23,200 |
| 2015 | 10,300 | 20,600 | 11,850 | 21,850 | 23,100 |
| 2014 | 10,150 | 20,300 | 11,700 | 21,500 | 22,700 |
| 2013 | 10,000 | 20,000 | 11,500 | 21,200 | 22,400 |
| 2012 | 9,750 | 19,500 | 11,200 | 20,650 | 21,800 |
| 2011 | 9,500 | 19,000 | 10,950 | 20,150 | 21,300 |
| 2010 | 9,350 | 18,700 | 10,750 | 19,800 | 20,900 |
| 2009 | 9,350 | 18,700 | 10,750 | 19,800 | 20,900 |
| 2008 | 8,950 | 17,900 | 10,300 | 18,950 | 20,000 |

*Part-year residents and nonresidents must use the Under Age 65 and Single column.

Part-Year Residents

As a part-year resident, your Minnesota gross income includes any income you received from all sources (including sources not in Minnesota) while a Minnesota resident, and any income you earned in Minnesota or from sources in Minnesota while you were a nonresident. For more information, see Fact Sheet 2, *Part-Year Residents*.

Nonresidents

As a nonresident, you are required to file a Minnesota return if your gross income from Minnesota sources is more than the minimum filing requirement for the year. For more information, see Fact Sheet 3, *Nonresidents*.

How to Prepare Your Return

The Minnesota return begins with federal taxable income. Therefore, you will need to complete your federal return before you can begin your Minnesota return. When you file your Minnesota return, you must include a copy of your federal return and Schedule M1W (or, depending on the year, copies of your W-2 or 1099 forms) showing Minnesota income tax withheld.

If you filed a federal return but are unable to locate a copy, call the Internal Revenue Service (IRS) at 1-800-829-1040 or go to the www.irs.gov, search “transcript” and select “get a transcript” to obtain a transcript.

If you need wage and withholding information, contact your employer. If you are unsure of who your employers were, contact the IRS to request an income transcript, which shows all income reported to the IRS by your employers and other payers.

If You Expect a Refund

You must file your return within 3½ years from the regular due date to receive a refund. You must file even if you intend to forfeit your refund or you missed the 3½-year deadline.

If you are eligible for a refund but owe Minnesota taxes or debt to certain public agencies, the Minnesota Department of Revenue will apply your refund to the amount you owe. If your debt is less than your refund, you will receive the difference. *Continued*

Income Tax and Withholding Division
 Phone: 651-296-3781 or 1-800-652-9094
 Email: individual.incometax@state.mn.us

This fact sheet is intended to help you become more familiar with Minnesota tax laws and your rights and responsibilities under the laws. Nothing in this fact sheet supersedes, alters, or otherwise changes any provisions of the tax law, administrative rules, court decisions, or revenue notices. Alternative formats available upon request.

Exception: The 3½-year refund period may be extended only if you have been “financially disabled” as that term is defined in the Internal Revenue Code. The extension is limited to the actual period of disability. A financial disability means that you are unable to manage your financial affairs due to a medically determinable physical or mental impairment. We will require proof of disability. Enclose with your return any pertinent information, such as an explanation and a statement from a healthcare professional.

If You Owe Additional Tax

If you file your return late and owe additional tax, you will owe penalty and interest. If you need assistance in calculating the correct amount of tax, penalties, and interest, go to our website at www.revenue.state.mn.us. Otherwise, you may pay the tax you owe when you file your return and you will be billed for the balance of penalties and interest.

If you are unable to pay in full, pay as much as possible when you file your return and continue to make payments until you hear from us.

When making payments after your return has been filed and before you hear from us, be sure to write your Social Security number and indicate the year for which the payment is intended on each check. Create a payment voucher through our e-Services Payment Voucher System. Go to our website at www.revenue.state.mn.us and type **Payment Voucher** in the Search box. Send the voucher with your payment to the address listed on the voucher.

If we agree to establish a payment plan, you will be required to make payments by electronic funds transfer. Interest will continue to accrue on the unpaid tax and penalties until the balance is paid in full. For more information or to set up a payment plan, go to our website at www.revenue.state.mn.us. You will be billed for any amount owed. If you fail to make payment, we will initiate collection action against you.

If You File or Pay Late

Penalty will be assessed using the rates that are in effect for the year of the return you are filing. The interest rate is determined every year.

Late Filing Penalty

There is no late filing penalty as long as your return is filed within six months of the due date. If your return is not filed within six months, a late filing penalty will be assessed on the unpaid tax. The late filing penalty is 5 percent of the tax not paid within six months of the due date.

Late Payment Penalty

If you pay your tax after the regular due date, you will be charged a penalty for late payment. The late payment penalty is 4 percent of the tax not paid by the due date. If the tax is not paid within 180 days after the return is filed, an additional extended delinquency penalty of 5 percent will be assessed on the unpaid tax.

Penalty for Fraudulently Claiming a Refund

If you file a return that fraudulently claims a refund, you will be assessed a penalty. The penalty is 50 percent of the fraudulently claimed refund.

Interest

Interest is charged on any unpaid tax and penalty and is calculated from the regular due date of the return to the date the balance is paid in full. The rate of interest is determined every year. Rates in effect for recent years are as follows:

| | | | |
|-----------------|----------------------|---------------------|---------------|
| 2019 5% | 2017 — 2018 . . . 4% | 2010 — 2016 . . .3% | 2009 . . . 5% |
|-----------------|----------------------|---------------------|---------------|

Penalty Abatements

Penalties may be canceled if circumstances beyond your control prevented you from filing or paying your taxes on time. If you received a notice from us stating that a penalty has been assessed and you want to request an abatement, send a letter within 60 days from the date of the first written notice explaining the specific events or circumstances that prevented you from filing or paying on time. You will receive notice from us telling you whether the abatement request has been approved or denied.

Penalty for Underpaying Estimated Tax

If you owe tax of \$500 or more for any tax year, you may owe a penalty for underpayment of estimated tax. See Schedule M15, *Underpayment of Estimated Income Tax by Individuals, Trusts and Partnerships*, for the year you are filing to determine if you owe this penalty.

Time Limitations

If a return has not been filed, there is no limit to the period of time in which tax may be assessed. The general rule is that returns are subject to audit within 3½ years of the regular due date or the date the return is filed, whichever is later.

If You Do Not File

Minnesota law provides that if you are required to file an income tax return and do not, we may file a return for you or issue an order of assessment. However, preparing your own return is likely to result in a more accurate computation of your tax liability. When we prepare a return, it is based on available information, which may *not* include exemptions, deductions or credits.

If we file a return for you or issue an order of assessment, appropriate penalties and interest will be added. If the tax is not paid within 180 days after the return is filed, an additional extended delinquency penalty of 5 percent will be assessed on the unpaid tax.

Taxpayer Rights Advocate

If you have tax problems, taxpayer rights violations, or concerns that cannot be resolved through the normal channels, write to: Minnesota Revenue, Taxpayer Rights Advocate, P. O. Box 7335, St. Paul, MN 55107-7335.

Information and Assistance

Additional forms and information, including fact sheets and frequently asked questions, are available on our website.

Website: www.revenue.state.mn.us

Email: individual.incometax@state.mn.us

Phone: 651-296-3781 or 1-800-652-9094

This information is available in alternate formats.