

## Revenue Notice # 93-20

### Individual Income Tax - Abatement of Late Filing Penalty for Individuals Who Have an Extension for More Than Six Months to File Their Federal Income Tax Return.

Minnesota Statutes § 289A.60, subdivision 2 imposes a late filing penalty of ten percent of the unpaid tax on individual income tax returns filed more than six months past the due date of the return. There is no late filing penalty if the return is filed within the first six months after the due date.

This statutory six month grace period is meant to coincide with the maximum allowable period for extending a federal income tax return. As long as the Minnesota return is filed within the six month period, there is no late filing penalty, regardless of whether the taxpayer actually obtained a federal extension.

Under the United States Tax Code, in virtually all circumstances, the maximum allowable extension to file an individual income tax return is six months. However, in rare circumstances, ordinarily involving military personnel or taxpayers living abroad, the due date for filing the federal individual income tax return may be extended for longer than six months.

In those instances the Department of Revenue will not assess the late filing penalty as long as the Minnesota return is filed by the federal extended due date and the taxpayer documents entitlement to the federal extension as part of the Minnesota return. Taxpayers should attach a short letter of explanation to the front of their Minnesota return, along with a copy of their approved federal extension request (or other proof of entitlement to the federal extension).

The penalty will be assessed against those taxpayers who fail to follow this procedure. However, the Department will grant timely filed abatement requests if the taxpayer provides the above mentioned documentation after notice of assessment of the penalty.

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