

Haven't filed your 2017 income tax return yet?

Beware of these pitfalls

The federal income tax filing deadline is slightly later than usual this year — April 17 — but it's now nearly upon us. So, if you haven't filed your individual return yet, you may be thinking about an extension. Or you may just be concerned about meeting the deadline in the eyes of the IRS. Whatever you do, don't get tripped up by one of these potential pitfalls.

Filing for an extension

Filing for an extension allows you to delay filing your return until the applicable extension deadline, which for 2017 individual tax returns is October 15, 2018.

While filing for an extension can provide relief from April 17 deadline stress and avoid failure-to-file penalties, there are some possible pitfalls:

- If you expect to owe tax, to avoid potential interest and penalties you still must (with a few exceptions) pay any tax due by April 17.
- If you expect a refund, remember that you're simply extending the amount of time your money is in the government's pockets rather than your own. (If you're owed a refund and file late, you won't be charged a failure-to-file penalty. However, filing for an extension may still be a good idea.)

Meeting the April 17 deadline

The IRS considers a paper return that's due April 17 to be timely filed if it's postmarked by midnight. Sounds straightforward, but here's a potential pitfall: Let's say you mail your return with a payment on April 17, but the envelope gets lost. You don't figure this out until a couple of months later when you notice that the check still hasn't cleared. You then refile and send a new check. Despite your efforts to timely file and pay, you can still be hit with both failure-to-file and failure-to-pay penalties.

To avoid this risk, use certified or registered mail or one of the private delivery services designated by the IRS to comply with the timely filing rule, such as:

- DHL Express 9:00, Express 10:30, Express 12:00 or Express Envelope,
- FedEx First Overnight, Priority Overnight, Standard Overnight or 2Day, or
- UPS Next Day Air Early A.M., Next Day Air, Next Day Air Saver, 2nd Day Air A.M. or 2nd Day Air.

Beware: If you use an unauthorized delivery service, your return isn't "filed" until the IRS receives it. See [IRS.gov](https://www.irs.gov) for a complete list of authorized services.

Avoiding interest and penalties

Despite the potential pitfalls, filing for an extension can be tax-smart if you're missing critical documents or you face unexpected life events that prevent you from devoting sufficient time to your return right now. We can help you estimate whether you owe tax and how much you should pay by April 17. Please contact us if you need help or have questions about avoiding interest and penalties.