



NCDOR

NORTH
CAROLINA
DEPARTMENT
OF REVENUE

April 5, 2021

Important Notice: Department of Revenue Extends Individual Income Tax Filing and Payment Deadline to May 17, 2021

The purpose of this notice is to inform taxpayers of a limited-time waiver of certain penalties imposed upon individuals by the North Carolina Department of Revenue (“Department”).

On March 18, 2021, the Department [announced](#) that it would extend the April 15, 2021, tax filing and payment deadline to May 17, 2021, for individual income taxpayers to mirror the extended filing and payment deadline [announced](#) by the Internal Revenue Service (“IRS”). Importantly, in accordance with the IRS’ action, the original due date for filing the State individual income tax return remains April 15, 2021.

Pursuant to the Secretary of Revenue’s [statutory authority](#), the Department announced an automatic extension of time to file the North Carolina individual income tax return (“[Form D-400](#)”) to May 17, 2021. With the move to May 17, the Department will not impose penalties on individuals who file and pay their income taxes after April 15, 2021, as long as they file and pay their tax on or before May 17, 2021.

Recently, the Secretary has become aware that additional taxpayers may need more time to navigate the tax changes [recently passed by Congress](#). In response, the Secretary has elected to waive the following penalties imposed upon individuals, including partnerships and estates and trust, (collectively “Qualifying Taxpayers”) for failure to file a return, or to pay taxes:

- The penalty for failure to file a return (G.S. 105-236(a)(3))
- The penalty for failure to pay tax when due (G.S. 105-236(a)(4))

The waiver applies to the failure to timely file a return that is due on April 15, 2021, if the return, (“[Form D-400](#), [Form D-403](#), or [Form D-407](#)”) or application for extension (“[Form D-410](#) or [Form D-410P](#)”) is filed by May 17, 2021. The waiver applies to the failure to pay a tax if the tax that is due on April 15, 2021, is paid by May 17, 2021.

North Carolina Tax Law

[General Statute 105-237\(a\)](#) provides the Secretary of Revenue authority to waive or reduce penalties provided for in Subchapter 1 of Chapter 105. The Department's Penalty Policy allows a waiver of penalties for special circumstances.

State law prevents the Department from waiving any interest, including interest assessed for the underpayment of estimated tax, except in the limited case of interest on taxes imposed prior to or during a period for which a taxpayer has declared bankruptcy under Chapter 7 or Chapter 13 of Title 11 of the United State Code. As such, unless state law is changed, if you owe additional tax, the Department is required to charge interest on any unpaid tax, accruing from April 15, 2021, until the tax is paid.

The interest rate is currently 5% per year. This is the minimum rate allowed by statute.

How to Obtain State Penalty Waivers

Qualifying Taxpayers do not need to request a penalty waiver to qualify for this relief. However, if a taxpayer receives a proposed assessment of a penalty covered by the relief granted in this notice, the taxpayer should contact the Department by phone, at 1-877-252-3052, or by writing to the Department at the following address: North Carolina Department of Revenue, Customer Service, P.O. Box 1168, Raleigh, NC 27602.

Questions

This Important Notice may be updated as new information becomes available. If you have any questions about this notice, you may call 1-877-252-3052 to speak to a customer service representative or write to Customer Service, PO Box 1168, Raleigh, NC 27602.