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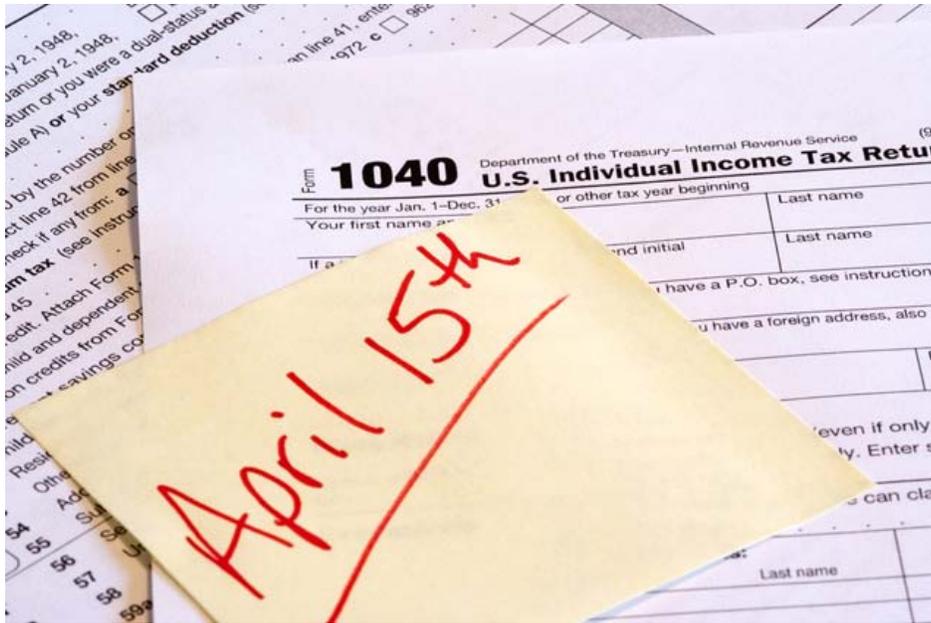
THE TAX LAWYER

TAXES 8/01/2015

Many IRS Tax Return Due Dates Just Changed, FBARs Too

Is your IRS tax return due April 15? Yes, and that date still holds, including the 6 month automatic extension. But many other filing deadlines were just changed by Congress. The due dates for partnership and corporate tax returns were changed, and for those important foreign account FBAR forms, also known as FinCEN Form 114. The changes came in an unlikely vehicle, H.R. 3236, the Surface Transportation and Veterans Health Care Choice Improvement Act of 2015. That non-tax law also gave the [IRS an increased audit period from three to six years in many cases](#). Starting after December 31, 2015:

- Partnership tax returns are due March 15, NOT April 15 as in the past. If your partnership isn't on a calendar year, the return is due on the 15th day of the third month following the close of your tax year.
- C corporation tax returns are due April 15, NOT March 15. For non-calendar years, it is due on the 15th day of the fourth month following the close of the tax year.
- S corporation tax returns remain unchanged—they are still due March 15, or the third month following the close of the taxable year;
- There are other rules too. C corporations with tax years ending on June 30 will continue to have a due date of September 15 until 2025. For years beginning after 2025, the due date for these returns will be October 15.



The due date for FBARs go from June 30 to April 15. That's a relief! And now you can even get a six-month extension, just like tax returns. Note that FBARs are important. If you had foreign accounts that in the aggregate topped \$10,000 at any time during the year, you must file. The penalties are scary, including willful and nonwillful civil penalties, and even criminal sanctions.

In fact, although many tax evasion charges carry the risk of a three year jail sentence, criminal FBAR charges can earn up to a ten year sentence. Even on the civil penalty front, FBARs are nothing to ignore. [FinCEN](#) now requires that you [file your FBAR, Form 114](#) electronically. Yet starting to report foreign accounts you failed to report in the past can be touchy. Will filing one FBAR prompt questions about whether you had the account in the past and why you didn't report it?

Since the statute of limitations for civil or criminal violations is generally six years, opening yourself up to that kind of exposure is frightening. Willful civil violations can draw penalties equal to the greater of \$100,000 or 50% of the balance in the account *for each violation*. With six years open, that could more than wipe out your account.

A Florida man was hit with civil penalties equal to 150% of his account [even though this penalty exceeded his entire offshore account balance](#). Recent [guidance](#) suggests that the IRS could be more lenient in the future, but the IRS's definition of leniency can still make the IRS amnesty program for offshore accounts a very good—and very certain—deal. You can [choose OVDP or](#)

[streamlined](#) depending on your facts. Even a 50% penalty applied once can look attractive when you consider the possibility of prosecution or even just higher civil FBAR penalties.

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