

NEWS RELEASE

For Immediate Release

Division of Taxation

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Colorado Extension of Time to File still means tax is due in April

Denver, CO, March 31, 2016 -- If you can't file your 2015 Colorado individual income tax return by this year's April 18 deadline, you may take advantage of the state's automatic six-month extension of time to file. There is no form, paper or electronic, to fill out to notify the Department of Revenue that you are taking the extension.

There's no extension for tax due

The extension applies to filing Colorado income tax information, either on paper or electronically, but does not apply to any state income tax you may owe. **If you expect to get a refund this year**, but do not make the April 18 filing deadline, you can still file your state income tax on or before Monday, October 17. Note that all returns claiming a refund are subject to the Department's refund fraud detection measures and may be delayed up to 60 days compared to prior years. Use Revenue Online (www.Colorado.gov/RevenueOnline) and click on "Check the Status of Your Refund" to monitor progress.

However, **if you owe state income tax**, 90 percent of the tax liability must be paid on or before April 18 to avoid penalties. Any remaining balance due would be subject to interest only.

What are the payment options?

- Pay Online. **Visit Revenue Online**, www.Colorado.gov/RevenueOnline. Look under "Quick Links" and choose **Make a Payment**. Through Revenue Online you can pay tax by credit card or echeck. The system will calculate the total tax owed, plus interest and penalty. The day you make the payment it is noted in your account, and you don't have to wait for the Department to process your check.
OR
- Mail in a check with the "2015 Extension Payment Voucher for Colorado Individual Income Tax" (DR 158-I). The Colorado 104 income tax booklet is available on the Colorado Taxation Web site at www.TaxColorado.com.

To ensure your mailed payment is credited to your account, you must use a payment voucher and include your Social Security number(s) on the voucher. You will then receive a billing notice.

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How to determine penalty and interest charges on tax owed

If you pay at least 90 percent of the tax owed by the April 18 deadline you will avoid penalty charges.

- Those who pay *less than the required 90 percent* of the amount due on or before April 18 will be charged interest and penalty on the unpaid balance.
- If the payment is *90 percent or more* of the amount owed you will be charged interest only -- no penalty as long as the return and balance owed are sent by the October 17 extension deadline.

What are the penalty and interest rates?

- Interest rate for 2015 is 6 percent on tax owed. A discounted rate of 3 percent is available if payment of tax, or agreement to pay, is made within 30 days of the April 18 deadline.
- Penalty is 5 percent of the balance due for the first month past the April 18 deadline plus 0.5 percent for each additional month, up to a maximum of 12 percent.

After tax season, use Revenue Online to monitor the tax account or make payments

You can create your own Login ID and Password to access your tax account any time of year, similar to online banking. Visit the Revenue Online site, www.Colorado.gov/RevenueOnline, to start the steps to access your account. Once you set up your Login ID and Password, you can use them to view past year returns you've filed, set up an agreement to pay plan if you receive an income tax bill and owe tax, amend your income tax returns online and upload documentation supporting any tax credits you are claiming.

Refund fraud detection measures mean tax agencies must take time to verify identity

The IRS, other state revenue departments and the Colorado Department of Revenue (CDOR) partner to implement refund fraud prevention measures. States have seen marked increases in email phishing schemes targeting employer W-2 information as fraudsters continually modify their identity theft targets to use the information to obtain credit or money that is not theirs. A common target is tax refunds. As other states have done, CDOR verifies whether it is really the taxpayer who has filed the return and refund claim. And some Direct Deposit refunds may be converted to paper check and mailed to the taxpayer's address to ensure tax dollars get to the right person and not into the hands of fraudsters.

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For tips on how you can avoid identity theft and what to do when you believe you may be a victim of identity theft, visit the Colorado Department of Revenue's Taxpayer Security Awareness and Reporting Identity Theft Web page: <https://www.colorado.gov/pacific/tax/taxpayer-security-awareness-and-reporting-identity-theft>.

The Colorado Department of Revenue is committed to providing security and customer service to assist taxpayers in voluntary compliance with state tax laws.

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