

**17 NCAC 06B .0107 EXTENSIONS**

(a) Application. -- If an income tax return cannot be filed by the due date, a taxpayer may apply for an automatic six-month extension of time to file the return. To receive the extension, an individual shall file Form D-410, Application for Extension for Filing Individual Income Tax Return, by the original due date of the return. A partnership, estate, or trust shall file Form D-410P, Application for Extension for Filing Partnership, Estate, or Trust Tax Return, by the original due date of the return.

(b) Late Payment Penalty. -- A 10 percent late payment penalty shall apply to the remaining balance due if less than 90 percent of the total amount of tax due is paid by the due date. If the 90 percent requirement is met, any remaining balance due shall be paid with the income tax return before the expiration of the extension period to avoid the late payment penalty. If a taxpayer does not file the application for extension by the original due date of the return, the taxpayer is subject to both the five percent per month late filing penalty (25 percent maximum) and the 10 percent late payment penalty on the remaining balance due.

(c) Individuals Outside U.S. -- An individual who is "Out of Country" on the date the return is due shall be granted an automatic four-month extension for filing the North Carolina income tax return by marking the Out of Country indicator on the Form D-400 when the State return is filed. "Out of Country" means the individual is a United States citizen or resident who is living outside the United States and Puerto Rico and either the taxpayer's main place of work is outside the United States and Puerto Rico or the taxpayer is in the military service outside the United States and Puerto Rico. The time for payment of the tax shall also be extended; however, interest shall be due on any unpaid tax from the original due date of the return until the tax is paid. If an individual is unable to file the return within the automatic four-month extension period, an additional two-month extension may be obtained by following the provisions in Paragraph (a) of this Rule; however, the Form D-410 shall be filed by the automatic extension date of August 15.

(d) Return. -- A return may be filed at any time within the extension period but it shall be filed before the end of the extension period to avoid the late filing penalty.

*History Note: Authority G.S. 105-155; 105-157; 105-160.6; 105-160.7; 105-236(a)(3); 105-236(a)(4); 105-262; 105-263;  
Eff. February 1, 1976;  
Amended Eff. September 1, 2008; May 1, 2006; August 1, 2002; August 1, 1998; November 1, 1994; May 1, 1994; June 1, 1993; October 1, 1992;  
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