

Tax Day is Here!

5 Big Questions Dentists Are Asking

The individual tax deadline of April 15 is fast approaching. Do you have all your tax arrangements in order? Here are five important questions that dentists are asking.

- 1. What happens if I don't file on time?** There's no penalty for filing a late tax return after the deadline if you are set to receive a refund. However, penalties and interest are due if taxes are not filed on time or a tax extension is not requested AND you owe tax. To avoid this problem, file your taxes as soon as you can, because the penalties can pile up pretty quickly. The failure-to-file penalty is 5 percent of the unpaid tax added for each month (or part of a month) that a tax return is late.
- 2. Can I file for an extension?**
If you are not on track to complete your tax return by April 15, you can file an extension to give you until Oct. 15 to file your tax return. Be aware that it is only an extension of time to file - not an extension of time to pay taxes you owe. You still need to pay all taxes by April 15 to avoid penalties and interest. So even if you plan to file an extension, a preliminary review of your tax documents is necessary to determine whether or not you need to make a payment when the extension is filed.
- 3. What are my tax payment options?**
You have many options to pay your income tax. You can mail a check, pay directly from a bank account with IRS direct pay, pay with a debit or credit card (for a fee), or apply online for an IRS payment plan. No matter how you pay your tax bill, finalize tax payment arrangements by the end of the day on April 15.
- 4. When will I get my refund?**
According to the IRS, 90 percent of refunds for e-filed returns are processed in less than 21 days. Paper filed returns will take longer. 24 hours after you receive your e-file confirmation (or 4 weeks after you mail a paper tax return), you can use the "Where's My Refund?" feature on the IRS website to see the status of your refund.
- 5. Oops, I forgot a tax document. Now what?**
The first thing to do is determine the impact the new information has on your filed return. For example, if you claim the standard deduction and then receive a mortgage interest statement that does not bring your expenses above the deduction threshold, there's nothing more you need to do. Simply file the statement with your other tax documents. If, on the other hand, you receive something like a Form 1099 with additional income, you will need to amend the tax return to claim the income. In cases like this, please call in order to review your situation and the timing of the correction.