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ELI J. DICKER
Executive Director

W. PATRICK EVANS
Chief Tax Counsel

October 11, 2018

Jennifer R. Hudson
Director
Delaware Division of Revenue

Via Email: jennifer.hudson@state.de.us

RE: Request for Guidance Regarding Automatic Penalty Waiver for State Corporate Tax Returns Filed by November 15, 2018

Dear Director Hudson:

We write to urge the Delaware Division of Revenue to issue guidance indicating it will automatically waive penalties for failure to file corporate tax returns due on October 15, 2018, if a taxpayer files such returns no later than November 15, 2018. The federal legislature changed the due date for filing extended federal corporate tax returns from September 15 to October 15 in 2016; however, your state has neither enacted legislation nor issued guidance similarly extending the time to file state corporate tax returns. Issuing the requested penalty waiver guidance will provide taxpayers additional time to prepare their state corporate tax returns and will alleviate the need for taxpayers to later file amended state corporate returns correcting errors.

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Penalty Waiver Recommendation

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TEI issued a policy statement (attached) in 2015 advocating that the original and extended due dates for filing state income and franchise tax returns should be no earlier than 45 days following the applicable federal income tax return due date. TEI welcomes the opportunity to support your state in an effort to enact legislation extending the due date for state corporate tax returns on a go-forward basis, as the concurrent deadlines for filing federal and state tax returns are impracticable.

TEI's members have shared the numerous difficulties they have encountered when preparing this year's federal and state corporate tax returns. TEI thus recommends that the Delaware Division of Revenue issue guidance indicating it will waive late filing penalties for taxpayers whose federal corporate tax returns are statutorily due on October 15, 2018, but file their state corporate tax returns on or before November 15, 2018. Providing this brief extension to file the state corporate return, without extending the deadline to pay the associated state taxes due, will not only have little impact on your state's fiscal position but also will alleviate the complications and challenges that will be created if taxpayers file inaccurate original state returns and must file amended state returns to correct resulting errors.

TEI notes that other organizations, such as the Council on State Taxation and AICPA, have already filed letters supporting such a proposal. We welcome the opportunity to discuss the proposal with you further.

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Respectfully submitted,

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James P. Silvestri
International President



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Chief Tax Counsel

October 11, 2018

Ken Roberts
Chairman
Idaho State Tax Commission

Via Email: ken.roberts@tax.idaho.gov

RE: Request for Guidance Regarding Automatic Penalty Waiver for State Corporate Tax Returns Filed by November 15, 2018

Dear Chairman Roberts:

We write to urge the Idaho State Tax Commission to issue guidance indicating it will automatically waive penalties for failure to file corporate tax returns due on October 15, 2018, if a taxpayer files such returns no later than November 15, 2018. The federal legislature changed the due date for filing extended federal corporate tax returns from September 15 to October 15 in 2016; however, your state has neither enacted legislation nor issued guidance similarly extending the time to file state corporate tax returns. Issuing the requested penalty waiver guidance will provide taxpayers additional time to prepare their state corporate tax returns and will alleviate the need for taxpayers to later file amended state corporate returns correcting errors.

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October 11, 2018

Connie Beard
Director
Illinois Department of Revenue

Via Email: Connie.Beard@Illinois.gov

RE: Request for Guidance Regarding Automatic Penalty Waiver for State Corporate Tax Returns Filed by November 15, 2018

Dear Director Beard:

We write to urge the Illinois Department of Revenue to issue guidance indicating it will automatically waive penalties for failure to file corporate tax returns due on October 15, 2018, if a taxpayer files such returns no later than November 15, 2018. The federal legislature changed the due date for filing extended federal corporate tax returns from September 15 to October 15 in 2016; however, your state has neither enacted legislation nor issued guidance similarly extending the time to file state corporate tax returns. Issuing the requested penalty waiver guidance will provide taxpayers additional time to prepare their state corporate tax returns and will alleviate the need for taxpayers to later file amended state corporate returns correcting errors.

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Chief Tax Counsel

October 11, 2018

Sam Williams
Secretary of Revenue
Kansas Department of Revenue

Via Email: Sam.Williams@ks.gov

RE: Request for Guidance Regarding Automatic Penalty Waiver for State Corporate Tax Returns Filed by November 15, 2018

Dear Secretary Williams:

We write to urge the Kansas Department of Revenue to issue guidance indicating it will automatically waive penalties for failure to file corporate tax returns due on October 15, 2018, if a taxpayer files such returns no later than November 15, 2018. The federal legislature changed the due date for filing extended federal corporate tax returns from September 15 to October 15 in 2016; however, your state has neither enacted legislation nor issued guidance similarly extending the time to file state corporate tax returns. Issuing the requested penalty waiver guidance will provide taxpayers additional time to prepare their state corporate tax returns and will alleviate the need for taxpayers to later file amended state corporate returns correcting errors.

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October 11, 2018

Herb Frierson
Commissioner of Revenue
Mississippi Department of Revenue

Via Email: Commissioner@dor.ms.gov

RE: Request for Guidance Regarding Automatic Penalty Waiver for State Corporate Tax Returns Filed by November 15, 2018

Dear Commissioner Frierson:

We write to urge the Mississippi Department of Revenue to issue guidance indicating it will automatically waive penalties for failure to file corporate tax returns due on October 15, 2018, if a taxpayer files such returns no later than November 15, 2018. The federal legislature changed the due date for filing extended federal corporate tax returns from September 15 to October 15 in 2016; however, your state has neither enacted legislation nor issued guidance similarly extending the time to file state corporate tax returns. Issuing the requested penalty waiver guidance will provide taxpayers additional time to prepare their state corporate tax returns and will alleviate the need for taxpayers to later file amended state corporate returns correcting errors.

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Joel Walters
Director
Missouri Department of Revenue

Via Email: Joel.Walters@dor.mo.gov

RE: Request for Guidance Regarding Automatic Penalty Waiver for State Corporate Tax Returns Filed by November 15, 2018

Dear Director Walters:

We write to urge the Missouri Department of Revenue to issue guidance indicating it will automatically waive penalties for failure to file corporate tax returns due on October 15, 2018, if a taxpayer files such returns no later than November 15, 2018. The federal legislature changed the due date for filing extended federal corporate tax returns from September 15 to October 15 in 2016; however, your state has neither enacted legislation nor issued any guidance similarly extending the time to file state corporate tax returns. Issuing the requested penalty waiver guidance will provide taxpayers additional time to prepare their state corporate tax returns and will alleviate the need for taxpayers to later file amended state corporate returns correcting errors.

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Penalty Waiver Recommendation

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TEI issued a policy statement (attached) in 2015 advocating that the original and extended due dates for filing state income and franchise tax returns should be no earlier than 45 days following the applicable federal income tax return due date. TEI welcomes the opportunity to support your state in its effort to enact legislation extending the due date for state corporate tax returns on a go-forward basis, as the concurrent deadlines for filing federal and state tax returns are impracticable.

TEI's members have shared the numerous difficulties they have encountered when preparing this year's federal and state corporate tax returns. TEI thus recommends that the Missouri Department of Revenue issue guidance indicating it will waive late filing penalties for taxpayers whose federal corporate tax returns are statutorily due on October 15, 2018, but file their state corporate tax returns on or before November 15, 2018. Providing this brief extension to file the state corporate return, without extending the deadline to pay the associated state taxes due, will not only have little impact on your state's fiscal position but also will alleviate the complications and challenges that will be created if taxpayers file inaccurate original state returns and must file amended state returns to correct resulting errors.

TEI notes that other organizations, such as the Council on State Taxation and AICPA, have already filed letters supporting such a proposal. We welcome the opportunity to discuss the proposal with you further.

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Respectfully submitted,

Tax Executives Institute

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James P. Silvestri
International President



TAX EXECUTIVES INSTITUTE, INC.

2018-2019 OFFICERS

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President
PCS Wireless
Florham Park, NJ

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ANNA THEEUWES
Vice President, Region XI
Shell International B.V.
Netherlands

ELI J. DICKER
Executive Director

W. PATRICK EVANS
Chief Tax Counsel

October 12, 2018

John Monforte
Secretary
New Mexico Taxation and Revenue Department

Via Email: john.monforte@state.nm.us

RE: Request for Guidance Regarding Automatic Penalty Waiver for State Corporate Tax Returns Filed by November 15, 2018

Dear Secretary Monforte:

We write to urge the New Mexico Taxation and Revenue Department to issue guidance indicating it will automatically waive penalties for failure to file corporate tax returns due on October 15, 2018, if a taxpayer files such returns no later than November 15, 2018. The federal legislature changed the due date for filing extended federal corporate tax returns from September 15 to October 15 in 2016; however, your state has neither enacted legislation nor issued guidance similarly extending the time to file state corporate tax returns. Issuing the requested penalty waiver guidance will provide taxpayers additional time to prepare their state corporate tax returns and will alleviate the need for taxpayers to later file amended state corporate returns correcting errors.

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Netherlands

ELI J. DICKER
Executive Director

W. PATRICK EVANS
Chief Tax Counsel

October 11, 2018

Hartley Powell
Director
South Carolina Department of Revenue

Via Email: Hartley.Powell@dor.sc.gov

RE: Request for Guidance Regarding Automatic Penalty Waiver for State Corporate Tax Returns Filed by November 15, 2018

Dear Director Powell:

We write to urge the South Carolina Department of Revenue to issue guidance indicating it will automatically waive penalties for failure to file corporate tax returns due on October 15, 2018, if a taxpayer files such returns no later than November 15, 2018. The federal legislature changed the due date for filing extended federal corporate tax returns from September 15 to October 15 in 2016; however, your state has neither enacted legislation nor issued guidance similarly extending the time to file state corporate tax returns. Issuing the requested penalty waiver guidance will provide taxpayers additional time to prepare their state corporate tax returns and will alleviate the need for taxpayers to later file amended state corporate returns correcting errors.

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