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Get Ready Businesses: Some Filing Due Dates Are Changing

Thanks to recent legislation, the due dates have been changed for some information returns and related statements and for some business tax returns. Here's what you need to know. The Two Laws Are Responsible for the Changes: The Protecting Americans from Tax Hikes (PATH) Act and the PATH Act. It also contained a number of other provisions, including the changed due dates for W-2s and some 1099s.

Earlier Due Dates for Forms 1099-MISC and W-2

When a business pays non-employee compensation aggregating to \$600 or more to a single payee in a tax year, the business must file a Form 1099-MISC to report the payments to the IRS. Similarly, employers must report wages paid to employees on Forms W-2. Copies of these forms (called payee statements) must also be supplied to payment recipients.

Before a law passed last year, Forms 1099-MISC and W-2 were required to be filed with the IRS and the Social Security Administration (SSA) by the last day of February or by March 31 if filed electronically. (See "Two Laws Are Responsible for the Changes" at right.) Now, the due dates have been accelerated.

Starting with returns for the 2016 calendar year (which must be filed in early 2017), the due date for IRS and SSA filings is advanced to January 31 of the following year. The March 31 due date for electronic filings is no longer available. So the deadline for filing 2016 Forms 1099-MISC and W-2 with the IRS and the SSA is January 31, 2017.

Note: For filing 2016 Forms 1099-MISC and W-2 with the IRS and the SSA, one 30-day extension is allowed. To obtain an extension, you must file Form 8809, "Application for Extension of Time to File Information Returns," by no later than January 31.

The deadline to supply payee statements to recipients remains January 31 with no extensions allowed.

Reason for the New W-2 and 1099 Deadline

The goal of the new earlier deadline is to:

- Give the IRS more time to spot errors on tax returns.



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- Make it easier for the tax agency to verify the legitimacy of returns and properly issue refunds to taxpayers eligible to receive them.

Later Due Dates for 2016 Corporate Federal Income Tax Returns

For many years, C corporation federal income tax returns on Form 1120 were due two and a half months after the end of the corporation's taxable year (March 15, adjusted for weekends and holidays, for a calendar-year corporation). Form 1120 could be automatically extended for six months (through September 15, adjusted for weekends and holidays, for a calendar-year corporation).

However, a law passed last year established new due dates for Form 1120. For tax years beginning after December 31, 2015, the due date is generally moved back one month to three and a half months after the close of the corporation's tax year (to April 15, adjusted for weekends and holidays, for a calendar-year corporation).

Automatic five-month extensions are allowed (to September 15, adjusted for weekends and holidays, for a calendar-year corporation). You must file Form 7004, "Application for Automatic Extension of Time to File Certain Business Income Tax, Information, and Other Returns," to obtain an automatic extension.

The Form 1120S due date for S corporations is unchanged.

Note: Under a special transition rule for C corporations with fiscal years ending on June 30, the due date change won't kick in until tax years beginning after 2025. Until then, the traditional due date of September 15 (adjusted for weekends and holidays) for these corporations will continue to apply, with automatic seven-month extensions allowed.

Earlier Due Dates for 2016 Partnership and LLC Returns

For many years, partnership federal income tax returns on Form 1065 have been due three and a half months after the end of the partnership tax year. So for a calendar-year partnership, the filing deadline was April 15 of the following year (adjusted for weekends and holidays).

The Form 1065 due dates have also now been changed. For partnership tax years beginning after December 31, 2015, the Form 1065 due date is accelerated by one month, to two and a half months after the close of the partnership's tax year (March 15 for calendar-year partnerships). The same deadline applies to limited liability companies (LLCs) that are treated as partnerships for federal tax purposes.