

## **P. Filing of Returns and Payment of Taxes**

### **1. Time and Place for Filing**

General business corporation franchise and income tax returns are due on the 15th day of the third month following the close of the income year and are filed on a combination return form. A short period return required as a result of a corporation becoming a member of a consolidated group for federal purposes may be filed on the due date of the federal short period return. However, interest is due beginning seventy-five (75) days following the last day of the short period.

An income year ending on any day other than the last day of the month shall be deemed to end on the last day of the calendar month ending nearest to the last day of a taxpayer's actual income year.

Returns of agricultural cooperatives are due on or before the 15th day of the ninth month following the close of the income year.

Tax-exempt organizations described in G.S. 105-130.11 (a) (1) (3)(4) (5) (6) (7) and (8) which are required to file a return under G.S. 105-130.11(b) shall file a calendar year return on or before May 15 of the following year and a fiscal year return on or before the 15th day of the fifth month following the close of the fiscal year.

Returns should be filed with the North Carolina Department of Revenue, P.O. Box 25000, Raleigh, North Carolina 27640-0500, or at one of the Department's local branch offices located in principal cities throughout the State.

### **2. Extension of Filing Date**

Prior to the date set by statute for filing a corporation's franchise and income tax return, a corporation may apply for an extension of time for filing its return.

For additional detailed information concerning the requirements for obtaining an extension of time for filing a corporate franchise and income tax return, see Subject, "Extension of Time for Filing Return."

### **3. Payment of Taxes**

Except to the extent income tax is required to be paid through estimated tax payments, the full amount of franchise and income taxes is payable as of the filing date. Remittances should be made payable to the *N. C. Department of Revenue*.

### **4. Interest and Penalties (17 NCAC 05C.2003)**

Interest accrues at the rate established pursuant to G.S. 105-241.1 (i) on any tax paid after the date set by statute for filing the return. The statutory due date for filing a corporation franchise and income tax return is on or before the fifteenth day of the third month following the close of the corporation's income year. A failure to file penalty of five percent (5%) of the total taxes due is incurred each month a return is delinquent with the minimum penalty being five dollars (\$5) and the maximum penalty being twenty-five percent (25%). In addition the corporation is subject to the failure to pay by the due date penalty of ten per cent (10%).

**5. Income Tax Refunds to Wildlife Fund**

A corporation entitled to a refund of income taxes paid may elect to contribute all or any part of such refund to the Wildlife Fund for the support of wildlife management and protection programs administered by the Wildlife Resources Commission.

**6. Overpayment Credited To Next Year's Tax**

A corporation may elect to have all or a part of an overpayment of income tax and/or franchise tax credited against its estimated income tax for the succeeding year.