

Trusts and estates that obtain an automatic 5 1/2-month federal extension of time to file the fiduciary return will receive an automatic extension of time to file in New Jersey for the same period of time provided that at least 80% of the actual tax liability (as calculated on Form NJ-1041 or NJ-1041SB when filed) is paid by the original due date of the return and a copy of the federal Application for Automatic Extension (if filed by paper) is enclosed with Form NJ-1041 or NJ-1041SB when filed.

Persons in active service with the Armed Forces of the United States who may be prevented from filing by distance or injury or hospitalization arising out of such service will automatically receive a 6-month extension by setting forth the reason for the extension on a statement enclosed with their return.

PENALTIES AND INTEREST

If the final return is not received by the extended due date, penalty and interest will be calculated as if the extension had not been granted.

The penalty and interest charges for returns filed late and/or tax paid late are:

1. Late filing penalties of:
 - a. 5% per month (or fraction of a month), up to a maximum of 25% of the balance of tax due with the return.
 - b. \$100 per month (or fraction of a month) that the return is late.
2. Late payment penalty of 5% of any tax balance due.
3. Interest at the rate of 3 percentage points above the prime rate for every month (or fraction of a month) the tax is unpaid, compounded annually. At the end of each calendar year, any tax, penalties, and interest remaining due will become part of the balance on which interest is charged.

When filing your final Income Tax return be sure to include:

1. **Payment of any tax due,**
2. **Late payment penalty** of 5% of balance of tax due, if any, and
3. **Interest** calculated at the rate of 3 percentage points above the prime rate from the original due date of the return.

If you have questions, contact the New Jersey Division of Taxation's Customer Service Center at 609-292-6400.
