

NCDOR Communication



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Final Tax Assessments Going Out Sooner

Certain taxpayers will get their final state tax bills much sooner than ever before, thanks to a recent law change implemented this month.

Taxpayers who submit returns that show tax owed but who do not pay will receive final notices of taxes due approximately 45 days faster than in the past. That's because the department no longer has to send proposed assessments to taxpayers who submit returns without paying the tax due. The proposed assessment gave the taxpayer a chance to respond to the tax due amount and possibly request a conference or hearing about the taxes, which typically resulted in a delay of at least 45 days before the taxpayer received a final notice and paid the taxes.

The first taxpayers impacted by this change will receive their final assessments in late July. They include individual taxpayers who filed but did not pay during the most recent individual tax season. Normally they would receive proposed assessments in late July or early August, depending on how long it takes to complete the processing of their returns.

This change is a result of N.C. Gen. Stat. §105-241.22, which eliminates the need for the proposed assessment when certain criteria are met:

- The period begin date for the return filing period should be Jan. 1, 2008 or later.
- The assessment must be issued after the return is due. This means that final assessments will not go out yet for taxpayers who have filed for extensions.
- For returns with online and automatic line item adjustments, the calculated tax due must be equal or less than the "taxpayer tax due."

When these criteria are met, the tax immediately becomes collectible and the taxpayer will receive a final assessment. At that point the taxpayer should respond to the notice and pay the taxes. Taxpayers who cannot pay their taxes may also contact the department about the possibility of a payment plan once they receive their final assessments. Taxpayers who don't pay their taxes by the deadline (April 15 for individual taxpayers) must pay interest and penalties.

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Last year there were approximately 479,000 returns that would have qualified for this accelerated collection process. About 47 percent were individuals (D-400 returns), with 53 percent coming from businesses (including sales and withholding returns), which means the change will impact both individual taxpayers and businesses.

Questions, Or To Get More Information

Please call the Taxpayer Assistance and Collections Center at 1-877-252-3052 if you have any questions about this change. Taxpayers who receive a final assessment should respond as directed by the notice.