

**DOR EXTENDS RELIEF
TO FARMERS AND FISHERMEN**

February 25, 2015

ATLANTA—The Georgia Department of Revenue is providing estimated tax penalty relief to farmers and fisherman.

Georgia law allows farmers and fishermen to not pay estimated tax payments during the year if they meet certain requirements, including filing their Georgia income tax return and paying any tax due by March 1st (March 2nd this year due to March 1st falling on a Sunday). However, many farmers and fishermen will not be able to calculate their Georgia tax liability by that date.

Federal tax changes made at the very end of 2014 increased the Section 179 deduction (expensing of business assets). The Georgia Legislature reviews federal changes every year to determine which changes will be adopted for Georgia purposes. The Legislature is currently considering these changes in Georgia House Bill 292, but the bill is not likely to be enacted by March 2nd. Many farmers and fishermen may therefore be unable to calculate their tax liability and file their return by the March 2nd deadline, and could be subject to a penalty for underpayment of estimated tax (UET). Under such circumstances, the Department of Revenue has the authority to provide penalty relief.

Farmers or fishermen who are affected and who miss the March 2nd deadline will not be subject to the underpayment of estimated tax penalty if they file and pay by April 15, 2015. Those taxpayers should check the UET penalty exception box on Form 500 and attach a completed Form 500-UET, following the instructions for a farmer or fisherman as if the tax was paid and the return was filed by March 2, 2015.

Any farmer or fisherman who is assessed a penalty and believes they did not receive due consideration regarding the aforementioned relief, needs assistance, or has questions should call the Department at 1-877-423-6711.

The progress of Georgia House Bill 292 can be followed at this link:
<http://www.legis.ga.gov/legislation/en-US/Display/20152016/HB/292>