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On April 15, File Your 1040 Or An Extension?

Should you file on time or go on extension? For some, this can seem like handicapping a bet. The best reason to go on extension is if you need time to consider proper reporting, get professional advice, and file an accurate return. After all, tax returns are filed under penalties of perjury.



Plus, amended returns are more likely to be scrutinized, so file accurately. See [5 Simple Rules to Follow When Amending Your Tax Return](#). There's no shame in an extension. Millions are processed every year. The extension used to be an automatic four months, with two more thereafter if you had a good reason.

Then the IRS dropped the reason requirement and the two-step process. Now automatic extensions are six months. Who couldn't use the time? Still, the first time you go on extension can be cathartic.

We're used to meeting deadlines and you may feel guilty when you get that automatic reprieve. Don't. Of course, the extension is to **file**, not to **pay**. Make your payment, get your extension, and use the time wisely to make your return accurate and complete.

You may be waiting for Forms K-1, gathering documents or seeking professional advice. If there are debatable points on your return—such as

whether a lawsuit recovery is ordinary or capital—get some professional advice. See [Don't Fail To Consider Taxes When Settling Litigation](#). It is better to go on extension and be thorough than to file rashly.

To extend, you can mail a [Form 4868](#), ask your return preparer, use TurboTax or other commercial software, or do it yourself electronically. Go to IRS.gov and click: [Application for Automatic Extension of Time To File U.S. Individual](#). For more IRS guidance, see [IRS Tax Topic 304 Extensions of Time to File Your Tax Return](#).

Many taxpayers worry about [IRS audit](#) risk. Opinions vary and there are many old wives tales about what triggers an audit. Many believe that filing at or near a deadline reduces audit risk. A crush of other filers as occurs April 15th may reduce the chance that your return will stand out. That logic may also apply to the crush of returns filed on extension October 15th.

Do you increase audit risk by going on extension? I say no, but opinions vary. Some say you increase audit risk by going on extension. Others say you decrease it. See [Does Going On Return Filing Extension Increase IRS Audit Risk?](#) Neither can be proven. Just go on extension if you need the time.

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