



## **IMPORTANT NOTICE: EFFECT OF EMANCIPATION DAY AND PATRIOT'S DAY ON NORTH CAROLINA TAX RETURNS AND TAX PAYMENTS DUE ON APRIL 15, 2016**

Section 7503 of the Internal Revenue Code provides, for federal tax purposes, that an act is considered to be timely performed if the last date set by law for performing the act falls on a Saturday, Sunday or legal holiday and the act is performed on the next day that is not a Saturday, Sunday or legal holiday. The term "legal holiday" means a legal holiday in the District of Columbia; and in the case of any federal return, statement, or other document required to be filed, or any other act required to be performed, at any Internal Revenue Service office located outside the District of Columbia, the term "legal holiday" also means a statewide legal holiday in the state where such office is located.

### **Emancipation Day**

The District of Columbia annually observes Emancipation Day, which is April 16 each year. When April 16 falls on a Monday through Friday, it is observed on that day. When April 16 falls on a Saturday, the holiday is observed on Friday, April 15. When April 16 falls on a Sunday, the holiday is observed on Monday, April 17. For 2016, Emancipation Day falls on a Saturday so the holiday is observed on April 15. Therefore, the filing of federal tax returns and the payments of federal tax due on April 15, 2016, are considered timely filed or paid if filed or paid by April 18, 2016. This provision applies nationwide (see Internal Revenue Bulletin 2011-10).

### **Patriot's Day**

The states of Maine and Massachusetts observe Patriot's Day on the third Monday in April. For 2016, the third Monday of April is April 18, the day by which federal returns must be filed and taxes must be paid to be considered timely because of Emancipation Day. Pursuant to Internal Revenue Bulletin 2015-13, tax returns and tax payments of persons, other than corporations, who are residents of Maine or Massachusetts may be filed or paid on April 19, 2016, and still be considered timely. The extra day to timely file a tax return or pay a tax does not apply to estimated tax payments.

### **North Carolina Tax Returns and Tax Payments**

North Carolina will consider any document or payment with a due date of Friday, April 15, 2016, as being timely filed if delivered in person or mailed to the Department on or before Monday, April 18, 2016. For purposes of this notice, "other documents" include amended returns, claims for refund, and requests for review. Maine and

Massachusetts residents, other than corporations, must file any document or payment due on Friday, April 15, 2016, with the Department on or before Tuesday, April 19, 2016, to be considered timely filed. Corporations from Maine or Massachusetts must file any document or payment due on Friday, April 15, 2016, with the Department on or before Monday, April 18, 2016. The Patriot's Day provision does not apply to estimated tax payments.

The Department has two methods for making electronic funds transfers – ACH Debit and ACH Credit. The guidelines for each method require the taxpayer to initiate the transfer of funds no later than the day before the due date of the payment (by 3:45 p.m., Eastern Time for ACH Debit; by the end of the day for ACH Credit) to insure that the transfer of funds is accomplished on the due date. If a tax due date falls on a Saturday, Sunday, State-observed holiday, or Federal Reserve Bank holiday, the payment is considered timely if the taxpayer initiates the transfer of funds in time for the Department to receive the funds on or before the next banking day.

Because April 15, 2016, is neither a State-observed holiday nor a Federal Reserve Bank holiday, payments due on Monday, April 18, 2016, because of Emancipation Day that are made by electronic funds transfer must be initiated on or before Friday, April 15, 2016, to ensure payment is timely received on Monday, April 18, 2016. Payments due on Tuesday, April 19, 2016, because of Patriot's Day that are made by electronic funds transfer must be initiated on or before Monday, April 18, 2016, to ensure payment is timely received on Tuesday, April 19, 2016.

### **Additional Information**

For additional information about when a North Carolina tax return is considered timely filed or a tax is considered timely paid when the due date falls on a Saturday, Sunday, or legal holiday, and how the allowance of extra days to file a return or pay a tax when the due date falls on a Saturday, Sunday, or legal holiday affects the application of the statute of limitations for refunds and assessments, see Directive TA-16-1, which will be issued subsequent to this Important Notice.

Questions about this Important Notice may be directed to the Taxpayer Assistance Division at 1-877-252-3052.