

# You Missed the April 15 Tax Deadline — Now What?

A Step-by-Step Guide to Penalties, Payment Plans & Your Next Move

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# You Missed the April 15 Tax Deadline — Complete 2026 Guide

If April 15th came and went without a filed return, this guide tells you exactly what to do next. It covers every scenario: whether you owe the IRS money, whether the IRS owes you a refund, and what happens if you do nothing.

## Key facts at a glance:

The failure-to-file penalty is **5% of what you owe per month** — ten times larger than the failure-to-pay penalty

After 60 days late, a minimum penalty of **\$525** kicks in (2026 figure)

If you're expecting a refund, there are **no penalties for filing late** — you have until April 15, 2029 to claim it

A payment plan can **reduce your failure-to-pay penalty by 50%**

**First-Time Penalty Abatement** can wipe out late penalties entirely if you've had clean filing history for three years



# Step 1: Figure Out Which Situation You're In

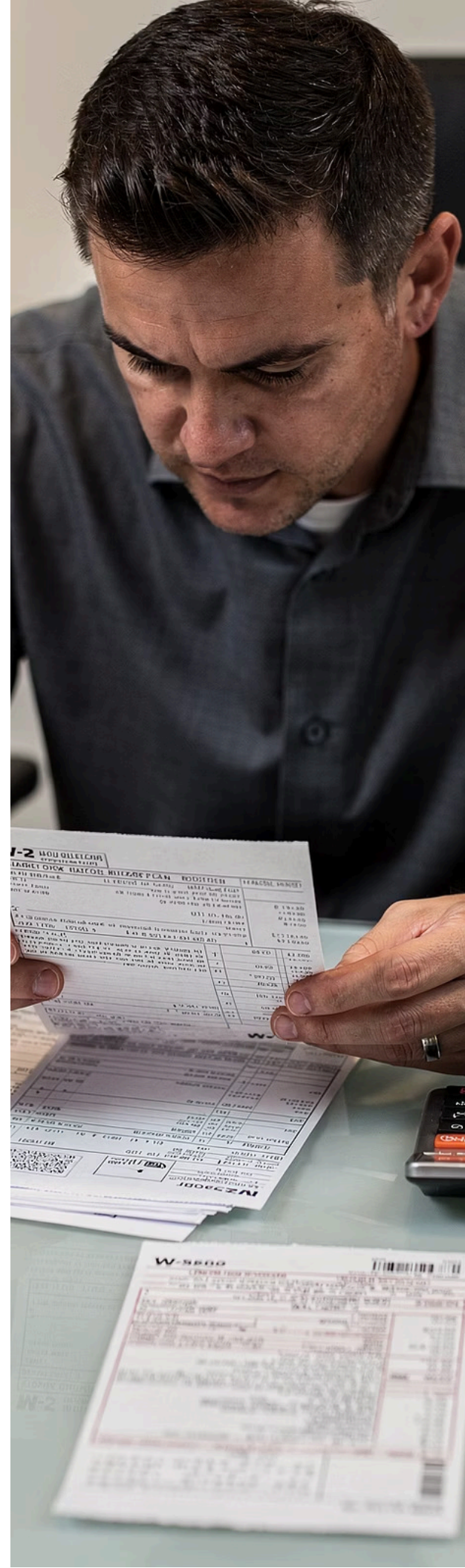
Before taking any action, you need to know whether you owe the IRS money or whether the IRS owes you a refund. The right response is completely different depending on the answer.

## If You're Not Sure Whether You Owe or Have a Refund

Compare this year's withholding to last year's tax bill. Check your pay stubs or W-2 for the total federal income tax withheld. If taxes were taken from every paycheck all year and your income is similar to last year, you likely have a refund coming.

Ask yourself: Did anything change significantly this year?

- New job or significant raise
- Side income, freelance work, or gig economy earnings with no withholding
- Major life event (marriage, divorce, new child, home purchase, retirement)
- Significant investment gains or a retirement account withdrawal




# The OBBBA Factor: You May Owe Less Than You Think

The **One Big Beautiful Bill Act**, signed in 2025, introduced major new deductions that many workers haven't accounted for yet:

New Deduction	Amount	Notes
Standard deduction — single	\$15,750	Permanently set, adjusted for inflation
Standard deduction — head of household	\$23,625	Permanently set, adjusted for inflation
Standard deduction — married filing jointly	\$31,500	Permanently set, adjusted for inflation
Overtime pay deduction	Up to \$12,500 (single) / \$25,000 (joint)	FLSA-covered overtime only
Tip income deduction	Up to \$25,000	68 designated job types
Senior bonus deduction	\$6,000	Taxpayers age 65 and older; stacks on top of standard deduction
SALT deduction cap increase	Now \$40,000 (up from \$10,000)	Only for households earning under \$500,000
Child Tax Credit increase	Now \$2,200 per child	Refundable portion indexed to inflation
Trump Accounts	\$1,000 federal contribution	Children born 2025–2028; converts to IRA at age 18

If you earned significant overtime or tip income in 2025, or if you are 65 or older, and didn't account for these deductions, you may actually have a refund coming — not a bill.

GovClarity 2026 New Tax Rules Series: Series Overview (7 New Changes) · No Tax on Tips · No Tax on Overtime · Senior Tax Deduction — all links in the description below.

 **Important — clean energy credit rollback:** The OBBBA eliminated several clean energy credits for purchases made after September 30, 2025. If you bought an electric vehicle, heat pump, or other qualifying item after that date, you may owe more than you expected.

# Documents You'll Need to File

## W-2s

From every employer

## 1099-NEC

For freelance or contract income

## 1099-MISC

For other miscellaneous income

## 1099-INT / 1099-DIV

For bank interest or dividends

## 1099-B

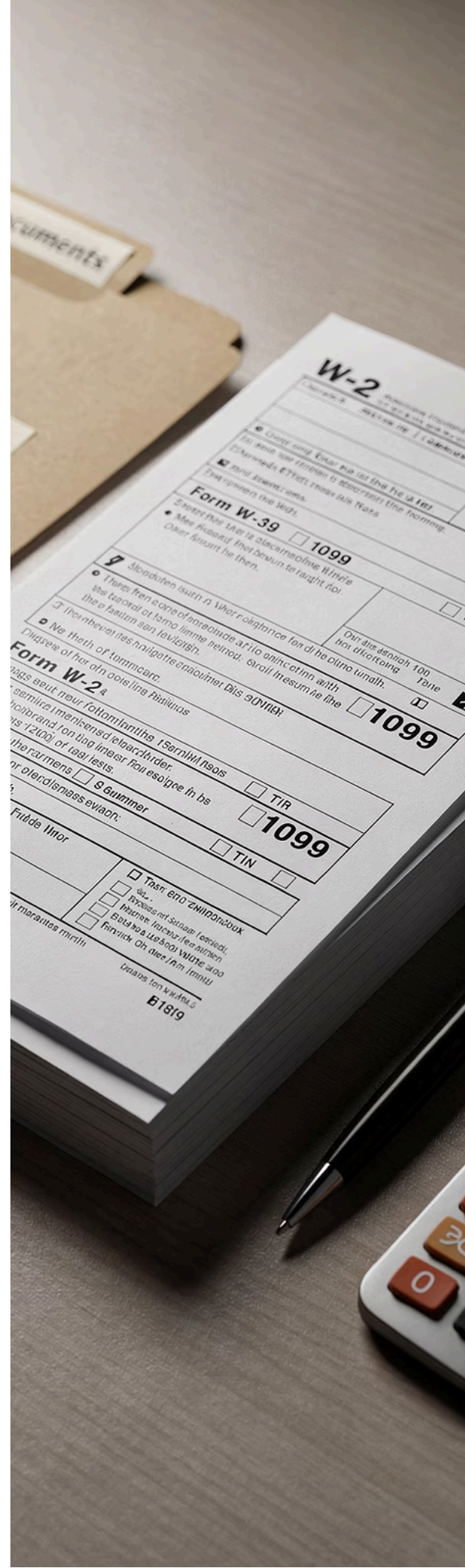
For stock or investment sales

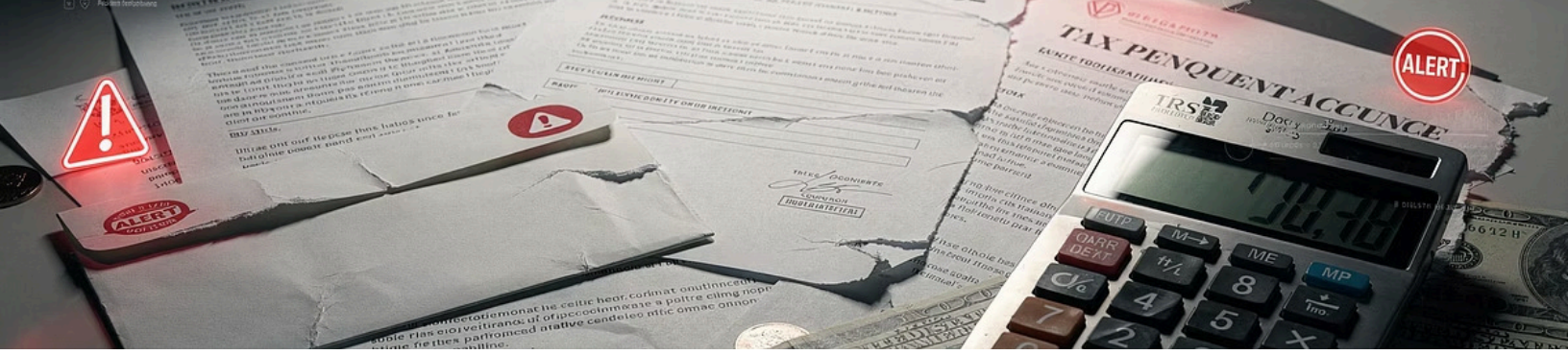
## 1099-G

If you received unemployment compensation

## Deduction Records

Records for any deductions you plan to claim





# What the Penalties Actually Cost

## Failure-to-File Penalty

**Rate:** 5% of your unpaid tax per month | **Cap:** 25%

On a \$2,000 tax bill:

- Month 1: \$100
- Month 2: \$200
- Month 3: \$300
- Month 4: \$400
- Month 5: \$500 — capped

## Failure-to-Pay Penalty

**Rate:** 0.5% per month | **Cap:** 25% | **Drops to 0.25%** once you set up a payment plan

## Minimum Penalty (60+ Days Late)

**2026 minimum: \$525 or 100% of unpaid tax — whichever is smaller**

## Combined Penalty Summary Table

Penalty	Rate	Cap	Notes
Failure-to-file	5%/month	25%	Stops when you file
Failure-to-pay	0.5%/month	25%	Drops to 0.25% on a payment plan
Minimum penalty	\$525 or 100% of tax	Whichever is smaller	Kicks in after 60 days
Interest	6%/year (Q2 2026), daily	No cap	Applies to tax + penalties

The fastest way to stop the failure-to-file penalty is to file your return — even if you can't pay.

# Step-by-Step: What to Do If You Owe Money

## File Your Return Today

Filing stops the 5% failure-to-file penalty immediately. No late-filing checkbox required — just file your normal Form 1040.

- **IRS Free File** (freefile.irs.gov) — free for AGI under \$84,000
- **TurboTax, H&R Block, TaxAct, FreeTaxUSA** — paid options
- **Paper filing** — [irs.gov/filing/where-to-file-paper-tax-returns](https://irs.gov/filing/where-to-file-paper-tax-returns)

## Pay as Much as You Can When You File

- **IRS Direct Pay** (directpay.irs.gov) — free, instant
- **IRS Online Account** (irs.gov/account)
- **EFTPS** (eftps.gov)
- **Check or money order** payable to "United States Treasury"

## Set Up a Payment Plan

Apply at [irs.gov/opa](https://irs.gov/opa) in minutes.

Plan Type	Setup Fee	
Short-term (180 days)	\$0	
Online — direct debit	\$22	
Online — non-direct debit	\$69	
Phone/mail — direct debit	\$107	
Phone/mail — non-direct debit	\$178	

**Balances under \$10,000:** Guaranteed approval, no financial statement required, IRS generally will not file a lien.

## Check for First-Time Penalty Abatement

**Eligibility:** Filed on time and paid for all three prior years (2022, 2023, 2024). No prior FTA.

**In 2026 the IRS applies this automatically — check your IRS Online Account.** If not applied, call 1-800-829-1040 or submit Form 843.

# Step-by-Step: What to Do If You're Expecting a Refund

No penalties apply when the IRS owes you money.

## \$3,521

Average 2026 Refund

Up 11% from 2025. That's your money sitting with the government.

## 11%

Refund Increase

Year-over-year increase in the average federal tax refund for 2026.

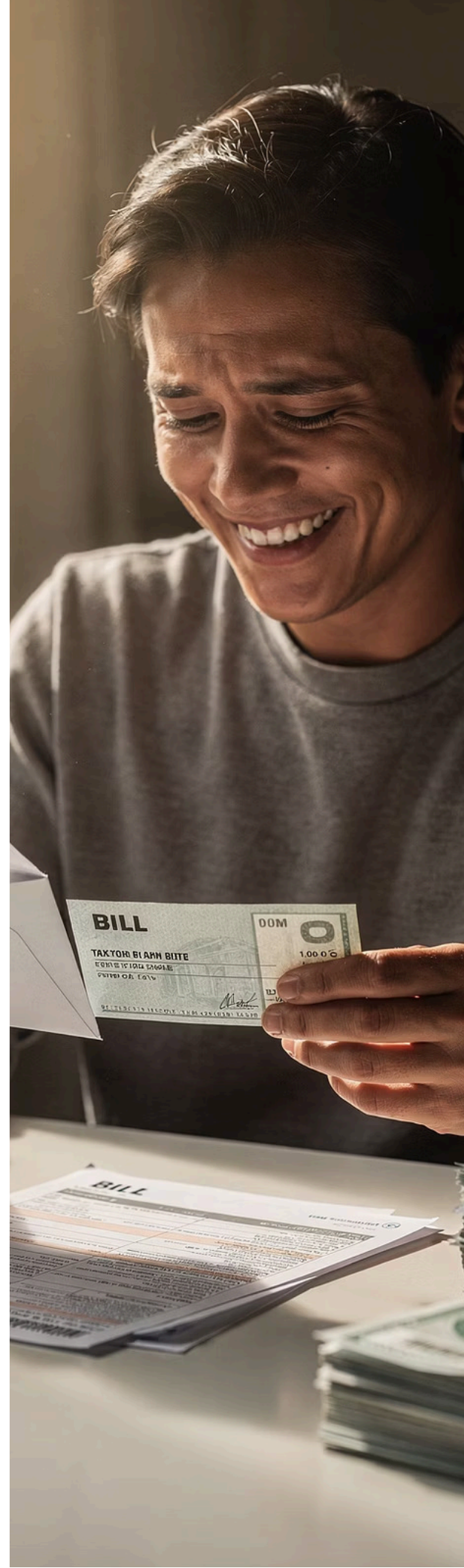
### Refund Claim Deadline

**April 15, 2029** (or October 15, 2029 if you filed a Form 4868 extension)

### Don't Underestimate What You're Owed

The average 2026 refund is **\$3,521** — up 11% from 2025. That's your money sitting with the government.

- ❑ After the deadline, unclaimed refunds are **permanently forfeited** to the U.S. Treasury. The IRS does not notify you.



# The Four Most Expensive Mistakes

## Mistake 1: Not Filing Because You Can't Pay

The failure-to-file penalty (5%/month) is ten times larger than the failure-to-pay penalty (0.5%/month). Filing with a \$0 payment eliminates the bigger penalty immediately.

## Mistake 2: Thinking the Extension Covered Your Payment

Form 4868 extends your time to **file** – not your time to **pay**. Taxes were due April 15th regardless.

## Mistake 3: Ignoring IRS Notices

- CP501/CP502: Balance due reminder
- CP503/CP504: Final demand before levy
- **Final Notice of Intent to Levy (LT11):** Failure-to-pay penalty doubles to 1% within ten days of issuance

## Mistake 4: Not Knowing About First-Time Penalty Abatement

Millions qualify and never use it. Three years of clean compliance = late penalties wiped out. One-time benefit – use it wisely.



# Your Action Checklist

## If You Owe Money

1. Confirm you owe by comparing withholding to last year's tax bill
2. Check OBBBA deductions (overtime, tips) that may reduce what you owe
3. Gather W-2s and 1099s
4. File your return today – even with \$0 payment
5. Pay as much as you can (IRS Direct Pay)
6. Set up a payment plan at [irs.gov/opa](https://irs.gov/opa) if needed
7. Check IRS Online Account for automatic FTA
8. Call 1-800-829-1040 if FTA not applied automatically
9. Open and respond to all IRS notices
10. File your state return

## If You're Expecting a Refund

1. Confirm you have a refund coming
2. Gather W-2s and 1099s
3. File when ready – no penalty
4. Track refund at [irs.gov/refunds](https://irs.gov/refunds)
5. Note deadline: April 15, 2029 (or October 15, 2029 with Form 4868)



# Official Resources

## IRS

- **File free:** [freefile.irs.gov](https://freefile.irs.gov)
- **Pay online:** [directpay.irs.gov](https://directpay.irs.gov)
- **Online Account:** [irs.gov/account](https://irs.gov/account)
- **Payment plans:** [irs.gov/opa](https://irs.gov/opa)
- **Where's My Refund:** [irs.gov/refunds](https://irs.gov/refunds)
- **Offer in Compromise:** [irs.gov/oic](https://irs.gov/oic)
- **Phone:** 1-800-829-1040 | Mon–Fri 7 AM–7 PM local time

## Key Forms

- **Form 1040** – [irs.gov/forms-pubs/about-form-1040](https://irs.gov/forms-pubs/about-form-1040)
- **Form 4868** – [irs.gov/forms-pubs/about-form-4868](https://irs.gov/forms-pubs/about-form-4868)
- **Form 843** – [irs.gov/forms-pubs/about-form-843](https://irs.gov/forms-pubs/about-form-843)
- **Form 9465** – [irs.gov/forms-pubs/about-form-9465](https://irs.gov/forms-pubs/about-form-9465)

## Free Help

### VITA

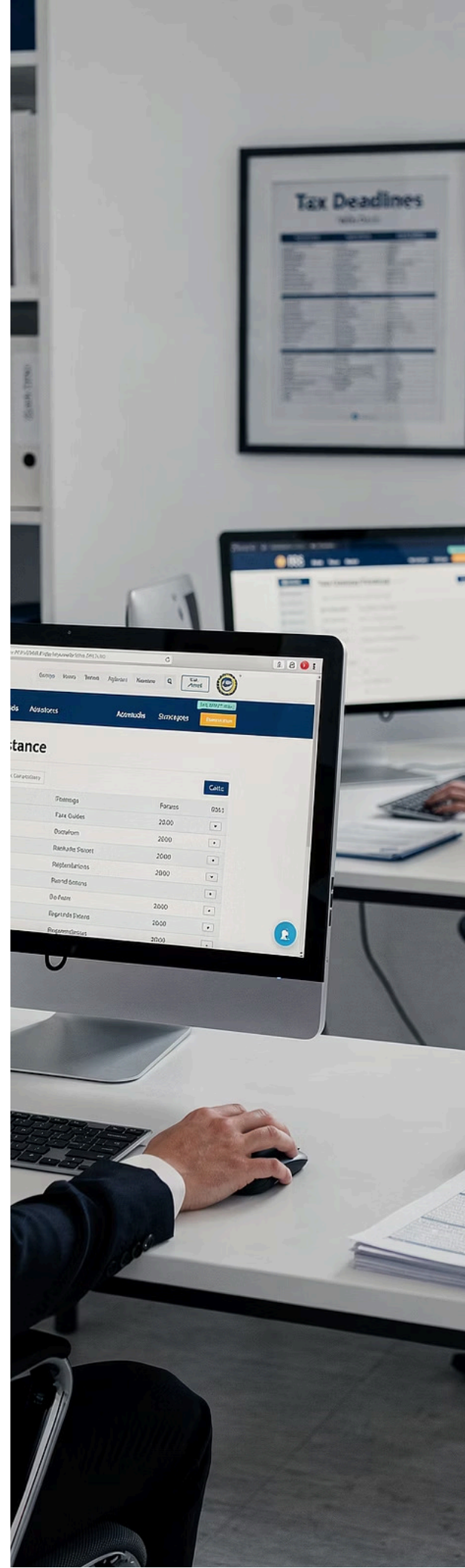
Free for income under  
~\$67,000: [irs.gov/vita](https://irs.gov/vita)

### TCE

Free for 60+: [irs.gov/tce](https://irs.gov/tce)

## California FTB

[ftb.ca.gov](https://ftb.ca.gov) | 1-800-852-5711 | Mon–Fri 8 AM–5 PM PT





# About This Guide

Created by GovClarity – an independent educational resource. Not affiliated with the IRS or any government agency.

All information current as of **April 2026**.

State taxes: If your state has an income tax, your state deadline also passed on April 15th. Search '[your state] department of revenue late filing' to find your state's penalties and payment plans.

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