

January 28, 2013

To Our Valued Clients,

On January 18, 2013, the Internal Revenue Service published IR 2013-7, providing relief from the estimated tax penalty for farmers and fisherman who are unable to file and pay their 2012 taxes by the March 1st deadline. This year's delayed tax filing start date has been due to the American Taxpayer Relief Act, which affected several forms typically filed by farmers and fishermen. These forms include the Form 4562, Depreciation and Amortization, which will require extensive programming and testing of IRS systems.

Normally, farmers and fishermen who choose not to make quarterly estimated tax payments are not subject to a penalty if they file their returns and pay the full amount of tax due by March 1st. This year, farmers or fishermen who miss the March 1st deadline will not be subject to the penalty if they file and pay by April 15, 2013. The California Franchise Tax Board is also conforming and plans to provide a similar relief process for 2013. The relief applies to all farmers and fishermen whose total gross income is at least two-thirds from farming or fishing from the tax-year 2012. Farmers and fishermen requesting the penalty waiver must attach a Form 2210-F to their tax return.

[More information about the penalty relief can be found online at the IRS website.](#) Please let us know if we can assist you or answer any questions. Contact us at (209) 527-4220 or contactus@gccpas.net.

Best Regards,



Grimbleby Coleman CPAs, Inc.

