

# 5

## Consequences of Not Filing Your Taxes

1

### Late Penalties

If you fail to file your taxes on time, you will be assessed a late filing penalty which is generally equal to 5 percent of the unpaid taxes you owe for every month you don't file your return - up to 25 percent.



### Delay or Forfeiture of Refund

Filing a late tax return may result in a delay of any refund you may be due. If you wait more than three years to file after the deadline, however, you forfeit your entire refund.

2

3

### Substitute for Return

The IRS may file a substitute for return on your behalf if you ignore reminders that your tax return is due. Unfortunately, it won't include tax credits or deductions that could reduce your taxable income, which means you could end up paying more than you actually owe.



### Collection Actions

Failing to file your taxes can have serious consequences and lead to additional collection actions if you owe the IRS. This includes wage garnishment, tax levies, and liens.

4

5

### Jail Time

If you are found guilty of deliberately refusing to file and pay your taxes (tax evasion), you could go to jail for up to 5 years and be fined up to \$250,000.



**tax defense**  
NETWORK™

a MoneySolver™ company