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## Beware the Ides of March

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March 11, 2011

There are numerous filings with a March deadline of next week:

### MARCH 15

- **Corporations**  
File a 2010 calendar year income tax return (Form 1120) and pay any tax due.
- **S Corporations**  
File a 2010 calendar year income tax return (Form 1120S) and pay any tax due.
- **S Corporations**  
S Corporation Election: File Form 2553, Election by a Small Business Corporation, to elect to be treated as an S corporation beginning with calendar year 2011.
- **Partnerships**  
Electing Large Partnerships: Provide each partner with a copy of Schedule K-1 (Form 1065-B), Partner's Share of Income (Loss) From an Electing Large Partnership, or a substitute Schedule K-1.
- **Foreign Trusts**  
File a 2010 calendar year Annual Information of Foreign Trust (Form 3520A).

### MARCH 31

- **All Businesses**  
File Forms 1098, 1099, & W-2G with the IRS. This due date applies only if you filed electronically (not by magnetic media).

A late filed return can result in a penalty of 5% of the tax due. In addition, a penalty of 1/2 percent per month will be imposed if at least 90% of the tax due is not paid by the original due date. The limit of both penalties is 25% of the tax outstanding on the due date. If a return shows no tax due, there are no late filing or late payment penalties. However, many tax elections can only be made on a timely filed return.

If the corporate return is late, so are the foreign reporting forms that are required to be attached to the return. IRS Form 5471 (Information Return for U.S. Persons with Respect to Certain Foreign Corporations) is considered late if the corporate return is late, and the Service will impose a \$10,000 late fee for each report required to be filed. The Service has been increasingly reluctant to waive such penalties except in extreme cases.

Form 3520A is a report for a foreign trust that is typically formed, or controlled by a U.S. person. A late filed return will result in a penalty equal to 5% of the value of the assets held in the trust will be imposed.

Be sure you obtain proof of mailing for tax returns or extensions in case you need to prove at a later date that the tax return or extension was timely filed.

If you have any questions or need assistance in getting these forms filed timely, please contact [Peter Trieu](#) or [Marcia DeForest](#).