

701—700.5(422) Extension of time to file.**700.5(1)** *Automatic extension of time to file.*

a. Qualification. No application for extension is required from the taxpayer if the taxpayer has paid at least 90 percent of the tax required to be shown due by the due date and has not filed a return by the due date. In such circumstances, the director will consider that the taxpayer has requested an extension of time to file the return and will automatically grant an extension of up to six months to file the return. However, if the taxpayer wants to make a tax payment to ensure that at least 90 percent of the tax has been paid on or before the due date, the payment can be made by:

- (1) Making a payment through Modernized eFile (MeF).
- (2) Contacting taxpayer services and requesting an Iowa Fiduciary Income Tax Payment Voucher.
- (3) Accessing GovConnectIowa to either make a payment or print a voucher and make a payment.

b. Determination. To determine whether or not at least 90 percent of the tax was paid on or before the due date, the aggregate amount of tax credits applicable on the return plus the tax payments made on or before the due date are divided by the tax required to be shown due on the return. The tax required to be shown on the return is the sum of the income tax, lump-sum tax, and the trust portion of the ESBT tax. The tax credits applicable are the credits set out in Iowa Code chapter 422, subchapter II, and Iowa Code section 422.111. Tax payments to be considered for purposes of determining whether 90 percent of the tax was paid include withholding tax payments, estimated payments, composite tax payments, and payments made with the Iowa Fiduciary Income Tax Payment Voucher Form.

c. Penalty and interest. If the aggregate of the tax credits and the tax payments is equal to or greater than 90 percent of the tax required to be shown due, the taxpayer will have met the “90 percent” test and no penalty will be assessed. However, the taxpayer will still be subject to statutory interest on any tax due when the return is filed.

700.5(2) *Extension of time to file due to illness, death, absence, or other legitimate reason.* The taxpayer is required to file the taxpayer’s fiduciary income tax return on or before the due date of the return with payment in full of the amount required to be shown due with the return. However, in any instance where the taxpayer is unable to file the return by the due date because of illness or death in the taxpayer’s immediate family, unavoidable absence of the taxpayer, or other legitimate reason within 30 days of the due date, the director may grant a six-month extension of time to file the return.

700.5(3) *Extension of time for the decedent’s final tax return.* 701—subrule 301.2(4), which provides for extensions of time to file individual income tax returns, applies to the decedent’s final tax return.

This rule is intended to implement Iowa Code section 422.21.

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