



# **I'm Not Going to File My Taxes This Year**

By Dr. Linda Hancock

## **ABOUT THE AUTHOR**

Dr. Hancock has written a regular weekly column entitled "All Psyched Up" for newspapers in two Canadian provinces for more than a dozen years. Over the years, her readers and clients have said that they have benefited from her common-sense solutions, wisdom, and sense of humour. Dr. Linda Hancock, the author of "Life is An Adventure...every step of the way" and "Open for Business Success" is a Registered Psychologist who has a private practice in Medicine Hat. She can be reached at 403-529-6877 or through email [office@drlindahancock.com](mailto:office@drlindahancock.com)

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Well with spring comes that time when governments revive up the computers and open their coffers waiting for you to send in an overview of your financial situation for the previous year.

Even though it is common knowledge that income tax documentation is due in April I am surprised by the number of people do not file by the deadline. In fact, there are thousands who have ignored this practice for years and then face overwhelming consequences.

If you have been thinking about skipping the whole tax filing process, there are a number of things that you should know:

1. This will not solve anything - The short-term reprieve will likely not make up for the long-term problems that you will face.
2. There are penalties for not filing that can amount to thousands of dollars.
3. Interest charged by the government is compounded and, if you allow this to happen without any resolve or payments, it won't be long until you will owe more for interest than you might have originally owed.
4. You are responsible for gathering the proper information and making sure that it is submitted by the due date and cannot blame anyone else if this is not done.
5. It is not the fault of your accountant or any other person who filed on your behalf if you have given them incorrect or incomplete information.
6. The government has ways of making your life miserable until you comply.
7. If you have not submitted information that is accepted, they might decide to impute your income. That means that they will guess what you earned based on statistics they have gathered for people who work in your field.
8. Money that you owe can be under garnishee. That means that your employer will be required to make deductions from your pay cheque to pay the government for taxes that you didn't pay.
9. Under certain circumstances you can go to jail for not complying with the tax laws.
10. Not filing or paying your taxes can lead to personal, family and financial problems for years to come.

Well, it doesn't sound very pretty, does it? But there is good news. You can avoid all of this by doing and submitting your taxes by the deadline.

If you are unsure about how to do this, talk with an accountant or specialized tax company, look on the internet for information or consult with a friend who has expertise in this area. You can also use the toll-free government number to ask specific questions.

It may take a little time, money and effort, but filing your taxes will save you a great deal of time, money and effort in the long run.