**DOR Non-Filer Program**

* In 2014, as part of its strategic goal of increasing compliance to create a level playing field for all taxpayers, DOR initiated a compliance program aimed at pinpointing non-filing and other non-compliant taxpayers in Indiana.
* To implement this program, various data sources are combined and analyzed. This includes data from other state agencies and outside sources.
* This effort has improved the overall rate of compliance and ensures that all individuals in Indiana are treated consistently and properly report income earned in Indiana. This program also ensures that counties receive the correct amount of funding as they do not receive their funds until a tax return has been filed, regardless of whether or not the withholding was remitted to DOR from the individual’s employer.
* Common issues include domicile, taxability of cancellation of debt income, and issues with the homestead credits. Each case has very specific facts and circumstances requiring special consideration.
* In response to numerous questions on this program, DOR revised regulations and guidance to provide clarification on the domicile / residency issue. These revisions were recently published in the Indiana register.
* Please also see [Income Tax Information Bulletin #39](https://www.in.gov/dor/files/ib39.pdf) for more information.

**Process**

* After determining a preliminary non-filer status, DOR contacts those taxpayers via letter. Indiana statute requires that we send notice to the taxpayer 30 days before a liability is created. In accordance with this statute, ITS creates a 30-day notice notifying the customer that it appears they have failed to file a return for a specific tax year. These letters encourage customers to either file the missing return for the periods noted or to contact DOR to discuss why a return was not filed.
* If an individual receives a letter from DOR, it is important that they contact us early in the process to begin working with one of our analysts. Contact information will be provided in the letter.