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Indiana Launches Tax Amnesty 2026: A Limited Window to Resolve Past-Due Taxes

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Indiana taxpayers with older outstanding state tax liabilities may have a valuable opportunity to clean up past-due balances under the state's Tax Amnesty 2026 program. The program will run from July 15, 2026, through September 9, 2026, and is designed to allow eligible taxpayers to pay qualifying liabilities while receiving a waiver of related penalties and interest.

For many businesses and individuals, the program could offer a straightforward path back into compliance. Under the program, eligible taxes include all taxes paid to Indiana Department of Revenue or Motor Carrier Services for tax periods ending before January 1, 2024. Liabilities currently on hold may also participate, although participation is not required for those accounts.

Importantly, taxpayers should be aware that if they participated in Indiana's 2005 or 2015 tax amnesty programs, they are excluded from participating in the program. Indiana has also introduced a new online eligibility tool to help taxpayers determine whether they qualify.

To participate, taxpayers must either pay eligible liabilities in full or set up a payment plan during the amnesty period. Any payment plan established during the program must be paid in full by June 7, 2027.

The incentive to act is significant. Taxpayers who successfully complete the program will receive a waiver of all related penalties, interest, and collection fees, creating a potentially meaningful cost-saving opportunity. By contrast, the Department has communicated that taxpayers who do not participate, or who fail to complete an amnesty payment plan by June 7, 2027, may face an additional penalty on eligible liabilities.

For companies with historical filing issues, multistate tax exposure, or legacy assessments, this may be an opportune time to review Indiana tax liabilities and determine whether amnesty could be an option.

Short Takeaways

- Program window: July 15, 2026, through September 9, 2026.
- Eligible periods: Tax periods ending before January 1, 2024.
- Main benefit: Waiver of penalties, interest, and collection fees upon successful completion.
- Payment plans: Must be set up during the amnesty period and fully paid by June 7, 2027.