

COVID-19 Pandemic Tax Payment Relief

On March 18, 2020, the Treasury Department and the Internal Revenue Service released Notice 2020-17, which clarifies the tax payment relief related to the COVID-19 pandemic. According to the notice:

- The payment relief is available to any person with a federal income tax payment due on April 15, 2020.
- The due date for federal income tax payments otherwise due on April 15, 2020, is extended to July 15, 2020, but only for the Applicable Postponed Payment Amount.
- The Applicable Postponed Payment Amount is:
 - o Up to \$1,000,000 for a non-corporate taxpayer (e.g., an individual, estate or trust); and
 - o Up to \$10,000,000 for each corporate taxpayer.
- The payment deferral includes 2019 federal extension payments and 2020 federal estimated income taxes due on April 15, 2020. This deferral also applies to self-employment taxes. However, it does not apply to other taxes.
- For individual taxpayers, the limitation is the same for a single individual and married individuals filing a joint return.
- Penalties and interest for failing to pay the Applicable Postponed Payment Amount will not begin to accrue until July 16, 2020.
- Treasury has not extended the requirement to file. Tax returns still need to be filed. The only relief is for the payment of taxes up to the limits included above.

Here is the link to Notice 2020-17 for your convenience: https://www.irs.gov/pub/irs-drop/n-20-17.pdf?utm_campaign=COVID-19&utm_medium=email&_hsmt=84940991&_hsenc=p2ANqtz-8R44F2HbC131daF5K-gvMHmYsPURJbJVAQXQp_ZVo_4eylM70Uvr8tltcPpS7FYWb-0kK1&utm_content=84940991&utm_source=hs_email

As always, gish SEIDEN is here to help. Please calls us with any questions.