

March 23, 2020

Treasury Releases Updated 2020 Tax Filing Guidance

In their latest effort to keep pace with swiftly-moving developments in the ongoing global pandemic known as COVID-19 and its potential impact on U.S taxpayers, the U.S Treasury Department and Internal Revenue Service yesterday released IRS Notice 2020-18 (<https://www.irs.gov/pub/irs-drop/n-20-18.pdf>), which extends the deadlines for filing of certain 2019 and 2020 federal income tax returns, as well as payment of taxes due thereunder, from April 15 to July 15, 2020.

Notice 2020-18 cites President Trump's emergency declaration in response to the COVID-19 virus, under which Treasury is instructed "to provide relief from tax deadlines to Americans who have been adversely affected by the COVID-19 emergency." The Notice supersedes and expands upon earlier relief described in Notice 2020-17, released last week, pursuant to which certain "Affected Taxpayers" (which includes individuals, trusts, estates, partnerships, associations, companies or corporations) were granted an extension of time in which to make certain federal income tax payments (including payments of tax on self-employment income) otherwise due on April 15, 2020.

Notice 2020-18 expands on the earlier Notice by (1) extending the due date for Affected Taxpayers to file federal income tax returns (in addition to paying federal tax liabilities) otherwise due on April 15, and (2) eliminating certain dollar amount limitations contained in Notice 2020-17. Accordingly, "[f]or an Affected Taxpayer, the due date for filing Federal income tax returns and making Federal income tax payments due April 15, 2020, is automatically postponed to July 15, 2020. Affected Taxpayers do not have to file Forms 4868 or 7004. There is no limitation on the amount of the payment that may be postponed." The postponement of Affected Taxpayers' federal income tax filing and payment obligations *includes* the first installment of 2020 quarterly estimated income taxes, which would otherwise be due on April 15.

In addition to releasing Notice 2020-18, the IRS has also established a special taxpayer "Coronavirus Tax Relief" webpage (<https://www.irs.gov/coronavirus>), devoted to assisting taxpayers, businesses and other persons affected by the COVID-19 health crisis. This webpage is expected to be regularly updated in order to keep Affected Taxpayers abreast of Treasury efforts and resources directed to inform and assist them throughout the course of the pandemic.