

IRS Extends Due Date for Filing Federal Income Tax Returns and Income Tax Payments to July 15¹

The Treasury Department and IRS are extending the due date for filing of Federal income tax returns and Federal income tax payments otherwise due on April 15, 2020. The new due date is July 15, 2020. The extended time to file is a result of the ongoing Coronavirus (COVID-19) emergency. **The extension is automatic** and available to all taxpayers, including individuals, trusts and estates, corporations and other non-corporate entities, as well as those who pay self-employment tax. Any interest, penalty, or addition to tax for failure to file or pay tax will not accrue until July 16, 2020, as a result of the extension. If taxpayers need additional time to file beyond the July 15 deadline, they can request an extension by filing the appropriate form. The filing extension does not apply to the filing of any Federal information return due on or before April 15, 2020.

The IRS has not yet provided guidance on whether the extension of the filing deadline to July 15, 2020, also extends the deadline for making contributions to an individual retirement account (IRA) or health savings account (HSA).

Federal Income Tax Payments

The deadline for making Federal income tax payments, including payments of tax on self-employment income, is also extended to July 15, 2020, for payments otherwise due on April 15, 2020. The extension applies to the payment of Federal income taxes for the 2019 tax year, as well as estimated income tax payments for the 2020 tax year that are due on April 15, 2020. *The extension is not available for the payment or deposit of any other type of Federal tax, such as payroll or excise taxes.* There is no dollar limitation on the amount of any Federal income tax payment that may be postponed.²

Taxpayers to who are expecting a refund to file should file their Federal income tax returns as soon as possible however to as to get their refund sooner.

Penalties and Interest

Any interest, penalty, or addition to tax for failure to file Federal income tax returns or failure to pay Federal income taxes is postponed and will not begin to accrue until July 16, 2020. The period from April 15, 2020, to July 15, 2020, will be disregarded as a result of the extension.

¹ Notice 2020-18; IR-2020-58

² The guidance supersedes previous guidance in [Notice 2020-17](#), I.R.B. 2020-15 that limited the extension to Federal income tax payments to up to \$10 million for corporations and \$1 million for individuals and non-corporate entities.

State Returns and Payments

The federal relief has no effect on state tax payments or state filing deadlines so you should check with your state tax agencies to see if they have chosen to conform to the temporary federal changes.

DISCLAIMER

This material is presented with the understanding that the author is providing basic information only and assumes no liability whatsoever in connection with its use. Tax laws are constantly changing, are subject to differing interpretations, and the facts and circumstances in any particular situation may not be the same as those presented here. Therefore, we urge you to do additional research and make sure that you are fully informed and knowledgeable before using the information contained herein.

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