

## UPDATED – Reprieve for Tax Filings and Payments for Tax Year 2019

Articles, COVID 19: Answers to Business Challenges, News March 21, 2020

Steve Mnuchin, Secretary of the Dept. of the Treasury, stated Tuesday (3/17/2020) that the IRS will not impose penalties and interest for late payments made within 90 days of the current payment deadline of April 15, 2020. He then tweeted on Friday (3/20/2020) that the filing due dates would also be extended to July 15, 2020, and the IRS issued a Notice confirming that extension.

IRS Notice 2020-17, "Payment relief on account of Coronavirus Disease 2019 (COVID-19) emergency," indicates that the reprieve applies to individuals and unincorporated entities owing up to \$1 million of tax and corporations owing up to \$10 million and clarifies that the new payment due date is July 15, 2020. IRS Notice 2020-18, "Federal Income Tax Filing and Payment Relief on account of Coronavirus Disease 2019 (COVID-19) emergency," indicates that the reprieve now applies to all taxpayers who have income tax returns due on April 15, 2020, which will now be due on July 15, 2020. All associated interest, additions to tax, and penalties for late filing and late payment will be suspended until July 15, 2020.

Those expecting a refund, of course, should file as soon as possible to get their refunds earlier. All taxpayers are still encouraged to still file by April 15 if they can (even if they cannot pay until later within the 90 day period).

An IRS news release posted along with Notice 2020-17 clarifies that those owing estimated payments for tax year 2020 that would otherwise be due on April 15 will also be granted the same relief. There have been calls for the June 15 estimated payments to also be extended and/or that all estimated payments be extended for a longer period, but those have not been instituted as of this writing.

Also keep in mind that many states have tax due dates of April 15 but may not have granted the same relief.

For additional information contact Carolyn Whitworth.