

IRS Relief for Taxpayers Affected by the Coronavirus Pandemic

SmithAmundsen Tax Alert
March 19, 2020

Taxpayers Entitled To Relief

Any taxpayer with a federal income tax payment due April 15, 2020, except married taxpayers filing separately is entitled to relief.

Relief Granted

The due date for making federal income tax payments due April 15, 2020 is postponed to July 15, 2020.

Relief applies for amounts up to \$10,000,000 for a corporate consolidated group or a C corporation (not an S corporation) that does not join in filing a consolidated return. For all other taxpayers, the amount is up to \$1,000,000. The period beginning on April 15, 2020, and ending on July 15, 2020, will be disregarded in the calculation of any interest, penalty, or addition to tax for a late payment

The relief is available solely with respect to federal income tax payments (including payments of tax on self-employment income) due on April 15, 2020, in respect of a taxpayer's 2019 taxable year, and federal estimated income tax payments (including payments of tax on self-employment income) due on April 15, 2020, for a taxpayer's 2020 taxable year. Relief with respect to estimated tax payments is not available for corporate taxpayers.

Due Date For Tax Returns

Individual tax returns are still due on April 15th. No extension is provided for the filing of any tax return or information return. An individual taxpayer entitled to relief must still file a Form 1040 by April 15, unless that date is extended by filing a Form 4868.

State Taxes

The IRS relief does not apply to state taxes.

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