



TAX Relief

Treasury and IRS Issue Guidance on Deferring Tax Payments Due to COVID-19 Outbreak

On March 20th, 2020, the Treasury Department and the Internal Revenue Service are providing special payment relief to individuals and businesses in response to the COVID-19 Outbreak.

This payment relief includes:

Individuals: Income tax payment deadlines for individual returns, with a due date of April 15, 2020, are being automatically extended until July 15, 2020, for up to \$1 million of their 2019 tax due. This payment relief applies to all individual returns, including self-employed individuals, and all entities other than C-Corporations, such as trusts or estates. IRS will automatically provide this relief to taxpayers. Taxpayers do not need to file any additional forms or call the IRS to qualify for this relief.

Corporations: For C Corporations, income tax payment deadlines are being automatically extended until July 15, 2020, for up to \$10 million of their 2019 tax due.

This relief also includes estimated tax payments for tax year 2020 that are due on April 15, 2020.

Penalties and interest will begin to accrue on any remaining unpaid balances as of July 16, 2020. If you file your tax return or request an extension of time to file by April 15, 2020, you will automatically avoid interest and penalties on the taxes paid by July 15.

This relief only applies to federal income tax (including tax on self-employment income) payments otherwise due April 15, 2020, not state tax payments or deposits or payments of any other type of federal tax. Taxpayers also will need to file income tax returns in 42 states plus the District of Columbia. State filing and payment deadlines vary and are not always the same as the federal filing deadline. The IRS urges taxpayers to check with their state tax agencies for those details. **More information is available at** <https://home.treasury.gov/>

