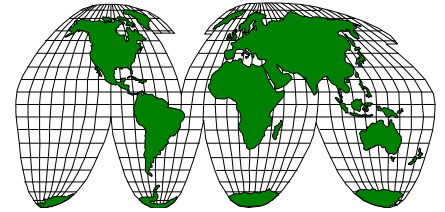


Schreiber & Schreiber

Certified Public Accountants



Due Dates for Federal Returns Affected by Coronavirus(COVID-19)

By Gerard H. Schreiber, Jr., CPA

Updated Monday, March 23, 2020 9:37 AM

IRS issued Notice 2020-18 to provide filing and payment relief for taxpayers due to the threat of the Coronavirus (COVID-19). **Only the returns and payments listed in the Notice are entitled to the filing and payment relief.**

On March 13, 2020, the President issued an emergency declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act in response to the ongoing Coronavirus Disease 2019 (COVID-19) pandemic. The Emergency Declaration instructed the Secretary of the Treasury “to provide relief from tax deadlines to Americans who have been adversely affected by the COVID-19 emergency, as appropriate, pursuant to 26 U.S.C. 7508A(a).”

Information on this event is also available on the CDC website at: www.cdc.gov/ and the FEMA website at: <https://www.fema.gov/>. Continual monitoring of the IRS, CDC, and FEMA websites will provide updated information on this event.

The Notice provides that any person with a Federal income tax payment due on April 15, 2020 is affected by the COVID-19 emergency for purposes of the relief indicated in the Notice. For purposes of the Notice, the term “person” is defined in Code Section 7701(a)(1). Code Section 7701(a)(1) states:

The term “person” shall be construed to mean and include an individual, a trust, estate, partnership, association, company or corporation.

This relief is **only** available for Federal income tax payments and returns due on April 15, 2020 for the 2019 taxable year and Federal estimated income tax payments due on April 15, 2020 for the 2020 taxable year. **No other tax returns or payments are included in this Notice.**

The due date for filing 2019 Federal income tax return due on April 15, 2020 is postponed to July 15, 2020. No interest, penalty, or addition to tax for failure to file will be assessed for the period April 15, 2020 to July 15, 2020. Interest, penalties, and additions to tax for 2019 Federal income tax returns due on April 15, 2020 will begin to accrue on July 16, 2020.

No other relief for Federal tax filings has been indicated at this time.

This notice will supersede Notice 2020-17 previously issued.

Important resources are located at:

- <https://www.irs.gov/coronavirus>
- www.irs.gov
- www.cdc.gov

Continual monitoring of the various taxing authority websites and announcements will be required to adequately service taxpayers affected by this event and have taxpayers meet all the filing requirements.

Questions and Answers on Notice 2020-18
Updated Monday, March 23, 2020 9:38 AM

What is the Stafford Act?

The Robert T. **Stafford** Disaster Relief and Emergency Assistance **Act (Stafford Act)** is a United States federal law designed to bring an orderly and systematic means of federal natural disaster assistance for state and local governments in carrying out their responsibilities to aid citizens. (https://www.fema.gov/media-library-data/1582133514823-be4368438bd042e3b60f5cec6b377d17/Stafford_June_2019_508.pdf)

What is Code Section 7508A?

Section **7508A** of the Internal Revenue Code permits a postponement of specified acts for taxpayers affected by a Presidentially declared disaster. The list of acts in this revenue procedure supplements the list of postponed acts in section **7508(a)(1)** of the Code and ' 301.7508A-1(b) of the **Regulations** on Procedure and Administration. (<https://www.law.cornell.edu/uscode/text/26/7508A>)

Where can I find the specified acts referred to in Code Section 7508A?

Information on the specified acts and covered taxpayers is in the 7508A Regulations. (<https://www.law.cornell.edu/cfr/text/26/301.7508A-1>)

What is covered by Notice 2020-18?

There are four terms used in the Notice-“affected taxpayers”, “2019 taxable year”, “returns”, and “payments”.

Who are affected taxpayers?

“Affected taxpayers” are “any person with a Federal income tax payment or a Federal income tax return due April 15, 2020.”

What is the income tax return filing due date?

Notice 2020-18 delays filing income tax returns for the “2019 taxable year” until July 15, 2020.

When are income tax payments due?

Notice 2020-18 delays payments for income tax returns for the “2019 taxable year” until July 15, 2020.

What payments are covered?

The relief is solely with respect to Federal income tax payments, including payments of tax on self-employment income, due on April 15th, 2020. This includes balances due with 2019 returns and first-quarter 2020 estimated tax payments.

Will there be interest or penalties on late payments?

For “affected taxpayers”, interest and late *payment* penalties will be waived on payments normally due April 15th, 2020 and paid by July 15th, 2020.

What if payment isn’t made by July 15th?

Interest, penalties and additions to tax will accrue on unpaid balances as of July 16th, 2020. Affected taxpayers subject to penalties or additions to tax may seek reasonable cause relief.

What about other types of returns or due dates?

The extension of time indicated in the Notice for making April 15 federal income tax payments does ***not*** apply to other types of federal taxes – such as payroll and excise taxes. At this time, it appears returns due in May and June, and the related tax payments, will need to be filed and paid as normal.

How does this affect my state and local returns?

Each state will have to issue their own guidance on filing and payment of returns. Notice 2020-18 ***only*** covers the filing of the Federal returns listed in the Notice.

Part III - Administrative, Procedural, and Miscellaneous

Relief for Taxpayers Affected by Ongoing Coronavirus Disease 2019 Pandemic

Notice 2020-18

I. PURPOSE

On March 13, 2020, the President of the United States issued an emergency declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act in response to the ongoing Coronavirus Disease 2019 (COVID-19) pandemic (Emergency Declaration). The Emergency Declaration instructed the Secretary of the Treasury “to provide relief from tax deadlines to Americans who have been adversely affected by the COVID-19 emergency, as appropriate, pursuant to 26 U.S.C. 7508A(a).” Pursuant to the Emergency Declaration, this notice provides relief under section 7508A(a) of the Internal Revenue Code (Code) for the persons described in section III of this notice that the Secretary of the Treasury has determined to be affected by the COVID-19 emergency. This notice supersedes Notice 2020-17.

II. BACKGROUND

Section 7508A provides the Secretary of the Treasury or his delegate (Secretary) with authority to postpone the time for performing certain acts under the internal revenue laws for a taxpayer determined by the Secretary to be affected by a Federally declared disaster as defined in section 165(i)(5)(A). Pursuant to section 7508A(a), a

period of up to one year may be disregarded in determining whether the performance of certain acts is timely under the internal revenue laws.

On March 18, 2020, the Department of the Treasury and the Internal Revenue Service issued Notice 2020-17 providing relief under section 7508A(a) of the Code, which postponed the due date for certain Federal income tax payments from April 15, 2020 until July 15, 2020. This notice restates and expands upon the relief provided in Notice 2020-17.

III. GRANT OF RELIEF

The Secretary of the Treasury has determined that any person with a Federal income tax payment or a Federal income tax return due April 15, 2020, is affected by the COVID-19 emergency for purposes of the relief described in this section III (Affected Taxpayer). The term “person” includes an individual, a trust, estate, partnership, association, company or corporation, as provided in section 7701(a)(1) of the Code.

For 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 relief provided in this section III is available solely with respect to Federal income tax payments (including payments of tax on self-employment income) and Federal income tax returns due on April 15, 2020, in respect of an Affected 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 an Affected Taxpayer's 2020 taxable year.

No extension is provided in this notice for the payment or deposit of any other type of Federal tax, or for the filing of any Federal information return.

As a result of the postponement of the due date for filing Federal income tax returns and making Federal income tax payments from April 15, 2020, to July 15, 2020, 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 failure to file the Federal income tax returns or to pay the Federal income taxes postponed by this notice. Interest, penalties, and additions to tax with respect to such postponed Federal income tax filings and payments will begin to accrue on July 16, 2020.

IV. EFFECT ON OTHER DOCUMENTS

This Notice supersedes Notice 2020-17. Because of the expansion of relief provided in this notice and the fact that Notice 2020-17 is superseded, any phone calls regarding Notice 2020-17 that have not already been returned will not be returned. As noted below, taxpayers with questions regarding the application of this notice should contact (202) 317-5436.

V. DRAFTING INFORMATION

The principal author of this notice is Jennifer Auchterlonie of the Office of Associate Chief Counsel, Procedure and Administration. For further information regarding this notice, you may call (202) 317-5436 (not a toll-free call).