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IRS Notice 2020-23 Expands Filing Deadline Extension Relief

Legal Update

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On April 9, 2020, the IRS issued IRS Notice 2020-23, amplifying the relief for taxpayers affected by COVID-19 previously set forth in IRS Notice 2020-2018 and IRS Notice 2020-20.

Tax Filing and Payment Obligations

The Notice provides that an individual, trust, estate, partnership, association, company or corporation ("Affected Taxpayers") that has a filing or payment deadline that is specified in the Notice and falls between April 1, 2020, and July 14, 2020, may postpone the time to make such payment or filing such tax return or form to July 15, 2020. The relief is automatic and does not require Affected Taxpayers to file extensions. Interest, penalties and additions to tax for failure to file the forms specified in the Notice will not begin to run until July 15, 2020.

Federal tax forms and payments eligible for relief under the Notice include:

- Individual income tax payments and return filings on Form 1040, including Form 1040NR for non-resident aliens;
- Quarterly estimated income tax payments, including the second quarter estimated individual income tax payment normally due June 15;
- Calendar year or fiscal year corporate income tax payments and return filings on Form 1120;
- Calendar year or fiscal year partnership return filings on Form 1065;
- Estate and trust income tax payments and return filings on Form 1041;
- Estate and generation-skipping transfer tax payments and return filings, including Forms 706 and 706-NA;
- Gift and generation-skipping transfer tax payments and return filings on Form 709;
- Information regarding beneficiaries acquiring property from a decedent on Form 8971;

- Estate tax payments of principal or interest due as a result of an election made under Secs. 6166, 6161, or 6163 and annual recertification requirements under Sec. 6166;
- Exempt organization business income tax and other payments and return filings on Form 990-T; and
- Excise tax payments and return filings on Forms 990-PF and 4720.

Relief with Respect to Specified Time-Sensitive Actions

The Notice extends the deadlines for certain specified time-sensitive actions that are due to be performed on or after April 1, 2020, and before July 15, 2020, until July 15, 2020. This relief includes the following:

- Filing of petitions with the Tax Court;
- Filing a claim for review of a Tax Court decision;
- Filing a claim for credit or refund of tax; and
- Filing suit for a claim credit or refund of tax.

Because these time-sensitive actions implicate statutes of limitations, careful attention should be made to confirm that a taxpayer qualifies for relief under the Notice.

Postponement of Due Dates with Respect to Certain Government Acts

The Notice provides IRS employees with a 30-day postponement period to perform certain time-sensitive actions that are due to be performed on or after April 6, 2020, and before July 15, 2020. Affected Taxpayers who may be affected include those who are currently under examination, whose cases are pending in IRS Appeals, who file amended returns or make payment on a tax where the statute of limitations would expire during this time period. In cases where the IRS utilizes the postponement, taxpayers should carefully review and consider whether the postponement is permitted under the Internal Revenue Code.