



## COVID-19 UPDATE

### IRS Extends Tax Payment Deadline From 4/15 to 7/15; Filing Deadline Not Extended

Dear Client,

We want to provide you with an update on the status of IRS filing and payment deadlines. In response to the cash flow difficulties faced by many individuals and businesses caused by COVID-19, this afternoon the IRS released Notice 2020-17 which extends the Federal tax payment deadline from April 15 to July 15. However, the filing deadline was not extended and as of today tax returns are still required to be filed or extended by April 15. States will need to enact separate rules to extend payment due dates.

We are proceeding with tax return preparation under the assumption that the IRS will not extend the April 15 filing deadline.

#### What this means for payments previously due April 15:

*- Individuals can postpone up to \$1,000,000 in federal income tax payments.*

- More specifically, this means that an individual who has tax payments due on April 15, 2020 for 2019 income tax, and/or for 2020 estimated payments, can postpone paying up to \$1,000,000 total.
- If full payment is made by July 15, 2020 you will not incur any interest or late payment penalties.
- The limit is for all payments due April 15 combined, the limit is not applied separately for each tax year.

*- Corporations can postpone up to \$10,000,000 in income tax payments*

- A corporation that has tax payments due on April 15, 2020 for 2019 income tax, and/or for 2020 estimated payments, can postpone paying up to \$10,000,000 total.
- If full payment is made by July 15, 2020 the corporation will not incur any interest or late payment penalties.
- The limit is for all payments due April 15 combined, the limit is not applied separately for each tax year.

**What this means for filing your tax return:**

- Your tax return due date has not been changed. Tax returns are still required to be filed or extended by April 15, 2020.
- We are continuing to move forward with gathering documentation, preparing tax returns, and filing extensions.
  - Please send in your tax documentation if you have not done so already.

We continue to monitor developments on the Federal and state levels and we want to ensure that you have access to the information and resources to help you through this challenging time. We have created a [COVID-19 resources webpage](#) where you can find information on federal and state taxes, unemployment benefits, SBA and other small business loan relief, and more. We will be updating this webpage throughout the upcoming days and weeks as more information becomes available.

Please contact your Lurie advisor with any questions regarding these changes.

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