

## IRS Expands on Tax Extension Relief

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Last month, the Internal Revenue Service (IRS) announced that the income tax filing deadline had been pushed to July 15, 2020, for income tax returns due on April 15, 2020. This relief was subsequently extended to certain gift tax returns.

The IRS has granted further automatic extensions in newly issued Notice 2020-23. Among the extended deadlines are the following:

- **Extension of Estimated Tax Payment Deadlines for Individuals and Corporations.** The IRS's prior extension meant that first quarter estimated tax payments that were previously due on April 15 are due July 15. Notice 2020-23 extends until July 15 any quarterly or estimated tax payment due by an individual or corporation on or after April 1. This means that second quarter estimated tax payments that were due June 15 are now due July 15. This resolved the unusual situation where second quarter payments would otherwise have been paid before first quarter payments.
- **Extension of deadline to claim 2016 refunds.** The April 15 deadline for claiming a refund based on 2016 tax returns has also been extended to July 15. This is an extension of the 3-year window of opportunity to claim a refund. Taxpayers must ensure their tax return claiming the refund is postmarked by July 15.
- **Extension of Like-Kind Exchange and Opportunity Zone Deadlines.** The 45-day and 180-day periods provided for under the Section 1031 like-kind exchange rules or Section 1400Z-2 opportunity zone rules are extended until July 15, 2020, if the period otherwise expires between April 1, 2020, and July 14, 2020. This extension is discussed separately here.

- Extension of Time to File Tax Court Petitions. If a taxpayer is under a deadline to file a Tax Court Petition that would otherwise expire between April 1, 2020, and July 14, 2020, the deadline for filing is extended to July 15, 2020.

A cautionary note: the relief outlined above applies to federal obligations and does not apply to any state obligations. Taxpayers should check whether their state or states have provided similar extensions.

While this summary provides a brief overview of some of the extensions offered by the IRS, you should contact your attorney and/or CPA for additional guidance as to your specific filing deadlines.

We will continue to monitor announcements from the IRS and provide you with any further updates as they become available.

Be sure to visit our Taxing Times blog, as well as our Coronavirus (COVID-19) Resource Center page, to keep up to date on the latest news.