

LEGAL UPDATES

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Service

Tax

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IRS Extends Tax Payment Deadlines for Certain Taxpayers

On March 18, 2020, the Internal Revenue Service issued Notice 2020-17 in response to the COVID-19 crisis. Here's what you need to know:

For certain taxpayers IRS has extended the April 15, 2020 tax payment deadline to July 15, 2020

Applies only to income tax payments (including self-employment taxes on such income) that are due April 15, 2020; tax returns due on April 15 still must be filed on or before April 15 unless otherwise extended under the current rules

Individual taxpayers can postpone up to \$1 million in federal income tax payments, while corporate taxpayers can postpone up to \$10 million in federal income tax payments

If payment is not made on or before July 15, 2020, the unpaid amounts will be subject to interest and trigger penalties

Payments that are due that are in excess of the thresholds should still be paid by April 15

Whether state tax payments are still due on April 15 depend on the particular state, but many states are expected to follow the federal rule.

Contact Us

Husch Blackwell's Tax practice group will continue to monitor developments on the federal and state levels throughout tax season and during this unprecedented public health crisis. If you have questions regarding IRS Notice

2020-17 or other tax-law issues, contact Joe Pickart, Dan Geraghty or your Husch Blackwell lawyer.

Husch Blackwell has launched a COVID-19 response team providing insight to businesses as they address challenges related to the coronavirus outbreak. The page contains programming and content to assist clients and other interested parties across multiple areas of operations, including labor and employment, retailing, and supply chain management, among others.