Agenda

• 2019 federal and state filing update

• Policy and legislation
  – Families First Coronavirus Response Act
  – CARES Act

• Changes impacting individuals, investors and business owners

• Liquidity

• Q & A
Federal tax filing update

• **Notice 2020-18**
  - Individual (Form 1040), Trust (Form 1041), and C Corporation (Form 1120) due date for filing and paying tax is **July 15, 2020**
  - First quarter estimated taxes originally due April 15 are now also due **July 15, 2020**
  - [IRS FAQs](#)

• **Notice 2020-20**
  - Gift and Generation-Skipping Transfer Tax Returns (Form 709) due date for filing and paying tax is **July 15, 2020**

• **Notice 2020-23**
  - Extends additional key tax deadlines for individuals and businesses
  - Form 4868 due **July 15, 2020** to extend Form 1040 to October 15, 2020
  - Second quarter estimated tax payments originally due on or after April 1 and before July 15 are now due **July 15, 2020**
State tax filing update

- Almost all states have provided income tax filing and/or payment relief for corporations and individuals, either as a result of federal conformity or because of state-specific guidance
- Similar filing and/or payment relief exists for fiduciaries and pass-through entities in some states, but guidance is in flux
- Filing and payment relief is not limited to income tax, in more limited instances relief is available for sales tax and property tax
- Texas Franchise Tax originally due May 15, 2020 extended until **July 15, 2020** – can be extended by July 15, 2020 due date to August 15, 2020 for EFT taxpayers or January 15, 2021 for Non-EFT taxpayers
POLICY AND LEGISLATION
In response to COVID-19
Legislative and regulatory response to COVID-19

• Families First Coronavirus Response Act and Qualified Sick and Qualified Family Medical Leave (Families First) Act

• Coronavirus Aid, Relief, and Economic Security (CARES) Act

• Available payroll tax credits

• Tax regulations: enabling cash flows with tax payments (extensions, estimates and filings)
Families First Coronavirus Response Act

- Effective April 2, 2020
- Mandatory paid leave for certain employees
  - Qualified paid sick leave wage
  - Qualified paid family leave wage
  - Qualified health plan wages (counted with wages above)
    - Some leave based on employees not able to work or telework because of schools or child care centers closure
    - Some leave based on actual COVID-19 quarantine, self quarantine
- Payroll tax credits on leave above, with per employee payroll caps
- Limited to employers with fewer 500 employees in most cases
  - FMLA aggregation rules may apply – fact based
- U.S. Department of Labor
  - Resources - https://www.dol.gov/agencies/whd/pandemic
  - Fact sheet of Employee Rights and Employer Requirements
• Key tax provisions
  - Employee retention credit
  - Delay of payment of employer payroll taxes
    • March 27, 2020 – Dec. 31, 2020
    • Payable ½ Dec. 31, 2021 and ½ Dec. 31, 2022
  - Net operating losses (2018-2020)
    • Suspends 80% limit
    • Five-year carryback: Tax rate arbitrage opportunity
    • Technical correction for fiscal-year filers for FYE beginning prior to Dec. 31, 2017
  - Excess business loss
    • Suspends limitation until 2021
  - 163(j) interest limitations
    • 30% adjusted taxable income limit increased to 50%
    • Partnerships: Special rules with no changes for 2019
  - Qualified improvement property
    • Technical correction retroactive to 2018
    • Now 15-year property eligible for bonus depreciation
    • 20 year for ADS
Employee retention credit

- Payroll tax credit equal to 50% of the qualified wages
  - Eligible employers with 100 or fewer employees – may count all employee wages in calculation
  - Eligible employers with more than 100 employees – count just employee wages paid for time when employee is not providing service

- To the extent employer pays more in qualified wages than can be paid for by reducing employer social security tax (6.2%) employer may be able to apply for additional refund

- Credit period is for wages paid after March 12, 2020 and before Jan. 1, 2021
Employee retention credit

• Credit available to any employer carrying on a trade or business in calendar year 2020 that:
  − was partially or fully suspended due to orders from an ‘appropriate government authority’ limiting commerce, travel, or group meetings due to COVID-19; OR
  − experienced a 50% or greater reduction in gross receipts for a quarter as compared to the same quarter in 2019
  − Continues for subsequent quarters until gross receipts hit 80% for a quarter as compared to the same quarter in 2019

• Credit is also available to tax-exempt organizations under section 501(c) and exempt from tax under section 501(a)

• Credit is not available to certain governmental employers

• An employer is not eligible if it is taking a small business interruption loan (PPP Loan)
Employer payroll taxes

• Delay of payment of employer social security (6.2%) payroll taxes
  – Deferral March 27, 2020 – Dec. 31, 2020
  – Payable ½ Dec. 31, 2021 and ½ Dec. 31, 2022

• Not available if employer receives PPP or certain other loans and the loan is forgiven
Five-year of NOL carryback

• NOL carrybacks for losses arising in a taxable year beginning after Dec. 31, 2017, and before Jan. 1, 2021 to each of the prior five taxable years
  – Corporate rate was 35% for most of the carryback period
  – Individual rate was 39.6%

• Consider taxable years and impact of changes to a corporation’s tax year-end or short-years resulting from M&A transactions

• Technical correction for fiscal-year filers for FYE beginning prior to December 31, 2017

• Who will receive the refund?
  – If the corporation carrying back losses was a member of a prior consolidated group in a carryback year the refund will go to the common parent of the prior consolidated group
Other NOL-related considerations

• Under the Act, a taxpayer may not utilize the NOL carrybacks to offset section 965 income

• GILTI income in the current tax year or prior tax years reduces the benefit of a taxpayer's current NOL or NOL carryback

• Also, note that the carryback of NOLs can impact credits and deductions the corporation had previously claimed
  – For example, section 199 domestic production activities deduction (DPAD) is limited to taxable income, so an NOL carryback could reduce the DPAD deduction previously claimed

• Taxpayers should look to opportunities in 2019 and 2020 to increase NOLs to maximize carry backs (i.e. accounting method changes)
Non-corporate NOLs and losses

• The TCJA limited business losses in a year to $250,000 for single filers, $500,000 for joint filers
  – Excess becomes part of the NOL carryover calculation

• The Act defers (retroactively) the effective date of this provision to tax years beginning \textit{after Dec. 31, 2020}

• Change allows for the following:
  – Full utilization of 2018 – 2020 business losses
  – Carryback of business losses to the extent they create an NOL in 2018 – 2020
Modification to the alternative minimum tax (AMT) credit

- TCJA eliminated the corporate AMT
- Corporate taxpayers with an AMT tax credit carryover could file for refunds of the credit through 2018 – 2021
- The Act accelerates payment of AMT credit refunds to corporations for the first taxable year beginning in 2019
- Alternatively, a corporation may elect to use 100% of its AMT credit for its first taxable year beginning in 2018
- The Act confirms that the credit is not subject to section 383
Modification of business interest expense limitation

• The TCJA enacted section 163(j) limiting interest deductions to a 30% of adjusted taxable income (ATI)

• The CARES Act lessens the impact by increasing the ATI limit to 50% of ATI for taxable years beginning in 2019 or 2020

• Taxpayers (including partnerships) may also elect to use their 2019 ATI amount for computing their 2020 limitation

• For partnerships, this change to 50% of ATI applies for years beginning in 2020

• In addition, 50% of a partner’s 2019 disallowed interest expense will be treated as business interest not subject to section 163(j) for tax year beginning in 2020
Qualified improvement property (QIP)

• Provides a much-awaited technical correction for qualified improvement property (commonly referred to as the retail glitch)

• Definition of QIP:
  – Any improvement made by the taxpayer to an interior portion of a building which is nonresidential real property if such improvement is placed in service after the date such building was first placed into service
  – Certain restrictions on type of interior improvement

• Provision is retroactive to QIP placed into service after Dec. 31, 2017

• Now 15-year property eligible for bonus depreciation
Excise tax items

• Exception from excise tax for alcohol used to produce hand sanitizer

• Suspension of certain aviation excise taxes
CHANGES IMPACTING INDIVIDUALS, INVESTORS AND BUSINESS OWNERS

In response to COVID-19
Recovery rebates for individuals

- Rebates payable to eligible individuals
  - U.S. residents only
  - Not eligible to be claimed as dependent of another taxpayer
  - Must have a social security number
- $1,200 per eligible individual ($2,400 joint) and $500 per dependent
- Rebate amount phases out as adjusted gross income exceeds:
  - $150,000 joint filers (fully phased out at $198,000)
  - $112,500 head of household (fully phased out at $146,500)
  - $75,000 single (fully phased out at $99,000)
- Rebates distributed to eligible individuals based on 2019 tax return, if filed, otherwise based on 2018 tax return, or 2019 SSA 1099 statements
Special use of retirement funds: Distributions up to $100,000

• No 10% early distribution penalty for distributions up to $100,000 from retirement accounts for “Coronavirus-related” purposes in 2020

• Distribution may be repaid to the plan within three years (rather than 60 days), or the inclusion in income is taxed ratably over three-year period (if elected)

• “Coronavirus-related distribution” made to an individual:
  - diagnosed with COVID-19, including a spouse or dependent; OR
  - experiences adverse financial consequences as a result of quarantine, furlough, lay off, reduced work hours, or lack of child care due to COVID-19, closing or reduced hours of operations for business owned/operated, or other factors determined by the Treasury Department
Special use of retirement funds: Plan loans and waiver of RMDs

- Qualified individuals may borrow up to $100,000 from qualified retirement plans within 180 days of enactment date of CARES Act (prior loan limit was $50,000)
  - This does not apply to IRAs
- Definition of qualified individuals tied to “Coronavirus-related distribution”
- Loan repayments, normally spread over five years, are delayed up to one additional year
- Temporary waiver of required minimum distributions for 2020 from defined contribution plans and IRAs
Charitable deduction changes for 2020: Individuals

- The charitable deduction limit for individuals has been suspended for 2020 (formerly 50% / 60% of adjusted gross income limit) for qualified charitable contributions (QCC) when itemizing deductions.

- Individuals not itemizing deductions on Schedule A are allowed to deduct up to $300 of QCC.

- QCC deduction is first reduced by gifts subject to 30% / 20% AGI limitations.

- QCC are those made to:
  - Public charities (excludes donor advised funds and non-operating private foundations)
  - In the form of cash during 2020
Charitable deduction changes for 2020: Corporations

- Increases the limitation for the deduction for food inventory from any trade or business to 25% from 15% of taxable income (applies to individuals also donating food inventory from trade or business)
- Increases the limitation for the deduction of “qualified charitable contributions” from 10% to 25% of the corporation’s taxable income
- Nonqualified charitable contribution gifts made will reduce the 25% taxable income limit
Suspension of excess business loss limitation for 2018 – 2020

• The limitation on the deduction of excess business losses (annual net losses in excess of $250,000 or $500,000 for joint filers) does not apply until 2021

• Amended returns may be filed for 2018 and 2019 (if filed already) to allow full deduction of losses otherwise limited by this provision originally enacted in the TCJA

• The loss limitation rule will apply for 2021 – 2025

• These loss limitation rules apply to individuals, estates and trusts
Net operating loss changes applicable to individuals and trusts

- The same changes in NOL deductions described for businesses apply to individuals, estates and trusts
- The prior 80% of taxable income limitation for losses incurred in 2018, 2019, and 2020 is eliminated for 2018 – 2020 tax years
- NOLs for 2018, 2019 and 2020 may be carried back five years to generate refunds
- The taxpayer may waive the carryback period and instead carry the losses forward
- Recall top income tax rates were 39.6% in 2013 – 2017
Exclusion from income for employer payments of student loans

- For employer student loan payments made after the date of enactment of the CARES Act and before Jan. 1, 2021, the employee is not subject to income taxation on payments up to $5,250
  - The payment plan must meet the requirements of IRC section 127

- The exclusion from income for all employer educational assistance payments (including student loan payments) is capped at $5,250 per year
  - Employees cannot take deductions for interest amounts so forgiven
LIQUIDITY

In response to COVID-19
Coronavirus Aid, Relief and Economic Security (CARES) Act

• Increases access to loans for small and middle market businesses

• Three programs
  – Small Business Administration (SBA) Economic Injury and Disaster Loan Program (EIDL)
  – Paycheck Protection Program (PPP) third-party loans with SBA guarantees
  – Main Street Lending Program loans for small and mid-sized businesses

Updated 4/24/20 – Effective April 24, 2020, the President signed the Paycheck Protection Program and Health Care Enhancement Act (PPP & HCE Act) which includes provisions for an additional $310 billion for the Paycheck Protection Program, an additional $50 billion for the EIDL program and an additional $10 billion for emergency EIDL grants.
SBA EIDL Program

• Eligibility
  - Businesses unable to meet existing financial obligations as a result of COVID-19 crisis
  - Most manufacturing companies with 500 or fewer employees and most non-manufacturing businesses with average annual receipts under $7.5 million (exceptions by industry)

• Amount
  - Up to $2 million for working capital and ordinary expenditures (actual amount tied to economic injury from COVID-19)

• Rate
  - 3.75% for small businesses and 2.75% for nonprofit
  - Loans are not forgivable

• How to apply
  - Apply online directly with the SBA

See note regarding funding on slide #29

Note: Borrowers are precluded from receiving SBA funding under PPP and EIDL for the same purpose
Paycheck Protection Program (PPP)

• Eligibility
  - 500 employees or less (including affiliates*)
  - Meets applicable employee size standards based on NAICS (including affiliates*)
  - 500 employees or less by location in accommodation and food service industry (NAICS 72x) or for any business acting as a franchise that is assigned a franchise identifier code by SBA
  - Sole proprietors, independent contractors and other self-employed individuals, including “gig economy” workers
  - Charitable tax-exempt organizations (including religious organizations), described in section 501(c)(3) of the Internal Revenue Code, and veterans organizations, described in section 501(c)(19), are eligible to participate in the program. However, other tax-exempt organizations (e.g., those described in sections 501(c)(4), (5), and (6)) are not eligible to participate.

• Amount
  - 2.5 times a borrower's monthly payroll costs for U.S. employees (cash compensation of any employee above $100,000 must be subtracted) or $10 million, whichever is smaller

• Rate
  - 1% for 2 years
  - Payments of both principal and interest will be deferred for six months following the date of loan disbursement; however, interest will accrue during that period
  - Loans are forgivable provided certain criteria are met (see slide 7)

• How to apply
  - Applicants must submit SBA Form 2483 with payroll documentation to a participating lender

See note regarding funding on slide #29
Can I apply for a PPP loan?

Loan needed to support ongoing operations? yes

<500 employees (or other number as determined by NAICS code) including affiliates* yes

<500 employees not including affiliates* yes

Franchise, NAICS code 72x, SBIC portfolio company yes

Not eligible no

<500 employees per physical location no

May apply for a PPP loan with an SBA approved lender

Note that lenders will make ultimate determinations about eligibility


See note regarding funding on slide #29
Can a PPP loan be forgiven?

• Under certain conditions
  – Funds must be used in an **eight-week period** following loan origination for the following (with respect to the items below, no more than 25% of the loan forgiveness may be attributed to non-payroll costs)
    • Payroll costs (cash compensation of any employee above $100,000 must be subtracted)
    • Interest payments made on any mortgage incurred prior to February 15, 2020
    • Payment of any lease in force prior to February 15, 2020
    • Payment on any utility for which service began before February 15, 2020
  – Existing employees are retained at or near current salary levels
    • Employee cuts or wage reductions will reduce forgiven amounts
    • Employers are allowed to rehire employees previously let go before the application without penalty
  – Proceeds from any advance up to $10,000 on an EIDL loan will be deducted from the loan forgiveness amount

See note regarding funding on slide #29
$600 Billion lending facility to provide low-cost loans to help small to medium-size enterprises impacted by COVID-19

Main Street Lending Facility

$600 billion in liquidity commitments to bolster the U.S. economy

$75 billion U.S. Treasury investment

$600 billion of conditional liquidity from the Fed (committed funding line)

U.S. Treasury - 1st loss equity capital

Federal Reserve - Senior Secured Funding Facility 13-3 program

U.S. Banks participating in MSLF

FED special purpose vehicle will commit to purchasing 95% of loans made by eligible lenders

Eligible lenders will hold 5% of each eligible loan.

Unsecured loans

U.S. mid-size corporation

Banks participating in the MSLF program make unsecured loans to their existing mid-size corporate and small business customers at a SOFR+250-400 basis points at a minimum of $1 million.

Unsecured loans

U.S. small business

U.S. Banks originate and service new loans to their mid-size and small corporate customers to meet liquidity needs

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Main Street Lending Program (amounts available)

- New loans (after 4/8/2020)
  - Minimum $1 million
  - Maximum $25 million
  - Not to exceed 4x 2019 EBITDA when added to existing outstanding and committed but undrawn debt

- Existing term loans (prior to 4/8/2020)
  - Minimum $1 million
  - Maximum $150 million
  - 30% of existing outstanding and committed but undrawn debt
  - Not to exceed 6x 2019 EBITDA when added to existing outstanding and committed but undrawn debt
Main Street Lending Program (eligibility and terms)

• Eligibility
  - Up to 10,000 employees
  - Up to $2.5 billion in 2019 annual revenues
  - Created or organized in the United States with significant operations in and a majority of employees in the United States

• Rate
  - Four-year loans at an adjustable rate of SOFR + 250-400 basis points
  - Amortization of principal and interest is deferred for one year
  - Prepayment is permitted without penalty
  - Loans are not forgivable

• How to apply
  - Borrowers should contact their lender directly
Borrower attestations for Main Street Lending Program loans

• Borrowers must attest that they require financing due to the exigent circumstances presented by the COVID-19 pandemic, and that, using the proceeds of the loan, they will make reasonable efforts to maintain payroll and retain employees during the term of the loan.

• Borrowers must attest that they will not cancel or reduce any existing lines of credit to the Main Street Lending Program lender or any other lender, and that loans obtained through the Main Street Lending Program will not be used to repay or refinance pre-existing loan balances.

• Borrowers will need to follow compensation, stock repurchase and capital distribution restrictions outlined in section 4003(c)(3)(A)(ii) of the CARES Act and certify eligibility, including in light of the conflicts of interest prohibition in section 4019(b) of the CARES Act.
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).
Filing and Payment Deadlines Questions and Answers

NOTE: These FAQs supersede earlier FAQs that were posted on March 24, 2020, following the publication of Notice 2020-18. These FAQs incorporate the expanded relief provided by Notice 2020-23 that was published on April 9, 2020.

In Notice 2020-18 (PDF), 2020-15 IRB 590, the Department of the Treasury (Treasury Department) and the Internal Revenue Service (IRS) announced special Federal income tax return filing and payment relief authorized under section 7508A of the Internal Revenue Code in response to the ongoing Coronavirus Disease 2019 (COVID-19) emergency declared by the President on March 13, 2020. The Treasury Department and the IRS provided additional relief in Notice 2020-20 (PDF), 2020-16 IRB 660, and Notice 2020-23 (PDF). Notice 2020-23 will be published in IRB 2020-18 on April 27, 2020.

Below are answers to frequently asked questions related to the relief provided in these Notices. These questions and answers will be updated periodically and are designed to be a flexible tool to communicate information to taxpayers and tax professionals. The answers to these questions provide responses to general inquiries and are not citable as legal authority. However, the Treasury Department and the IRS continue to consider additional IRB guidance on the issues addressed in these FAQs.

- Eligibility
- Filing and paying 2019 federal income taxes and 2020 federal estimated income taxes
- Individual Retirement Accounts (IRAs) and workplace-based retirement plans
- Health Savings Accounts (HSAs) and Archer Medical Savings Accounts (MSAs)
- Other questions

Eligibility

Q. Who is eligible for relief under Notice 2020-23?

A. Any person with a Federal tax payment or return (or other filing) due on or after April 1, 2020, and before July 15, 2020, that is described in section III.A of the Notice is eligible for relief under Notice 2020-23. In addition, any person with a specified time-sensitive act due to be performed during the same period is also eligible for relief. The specified time-sensitive acts that are postponed until July 15, 2020, include filing a petition with the United States Tax Court (Tax Court), filing for review of a decision rendered by the Tax Court, filing a claim for credit or refund of any tax, bringing suit upon a claim for credit or refund of any tax, and all of the acts listed in Rev. Proc. 2018-58, 2018-50 IRB 990 (PDF). The term “person” includes any type of taxpayer, such as an individual, a trust, an estate, a corporation, or
<table>
<thead>
<tr>
<th><strong>Q. Do I have to actually be sick, or quarantined, or have any other impact from COVID-19 to qualify for relief?</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>A. No, you do not have to be sick, or quarantined, or have any other impact from COVID-19 to qualify for relief.</td>
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</table>

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<thead>
<tr>
<th><strong>Q. What are the form numbers of the specific Federal tax returns (and other forms), due on or after April 1, 2020, and before July 15, 2020, whose filing deadlines have been postponed to July 15, under Notice 2020-23?</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Notice 2020-23 identifies the specific form numbers of the returns and other forms whose filing requirements are postponed. The Notice also provides that the postponement of a return filing specified in the Notice also postpones all schedules, returns, and other forms that are either filed as attachments to those returns or are required to be filed by the due date of those returns, including, for example, Schedule H and Schedule SE, as well as Forms 5471, 5472, 8621, 8858, 8865, and 8938. Additional form numbers are identified in Rev. Proc. 2018-58. If the filing of any form identified in Rev. Proc. 2018-58 (PDF) is due on or after April 1, 2020, and before July 15, 2020, the Notice postpones that filing requirement to July 15, 2020.</td>
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</tbody>
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<table>
<thead>
<tr>
<th><strong>Q. What about my FBAR (FinCEN Form 114)? Do I still have to file it on April 15?</strong></th>
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<tbody>
<tr>
<td>A. No. Since 2017, FinCEN has automatically extended the FBAR filing date to October 15. Requests for this extension are not required. See FinCEN’s announcement.</td>
</tr>
</tbody>
</table>

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<thead>
<tr>
<th><strong>Q. I am a fiscal year filer who filed an extension to file my Federal income tax return for fiscal year 2019. The extended due date is April 15, 2020. Am I an “Affected Taxpayer” eligible for relief under Notice 2020-23?</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Yes. The relief provided in Notice 2020-23 applies to Federal income tax returns and payments and postpones until July 15, 2020, all income tax return filings and payments due on or after April 1, 2020, and before July 15, 2020. If your Federal income tax return is due on April 15, 2020, whether that is the original due date or the due date on extension, your due date is postponed to July 15, 2020.</td>
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<thead>
<tr>
<th><strong>Q. Are the filing and payment deadlines for businesses, exempt organizations, or other entities that have filing due dates on May 15, June 15, or some other date besides April 15 postponed?</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>A. All Federal income tax return filings and payments due on or after April 1, 2020, and before July 15,</td>
</tr>
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2020, are now due on July 15, 2020.

<table>
<thead>
<tr>
<th>Q. Are the filing deadlines for partnerships and S-corporations whose returns were due to be filed on March 16, 2020, postponed?</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Notice 2020-23 does not postpone any return filings that were due on March 16, 2020. If a fiscal year partnership or S-corporation has a return due to be filed on or after April 1, 2020, and before July 15, 2020, that filing requirement has been postponed to July 15, 2020. For information about additional relief that may be available to partnerships in connection with the CARES Act legislation, please see Rev. Proc. 2020-23 (PDF).</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Q. Are the filing and payment deadlines for foreign trusts and estates who file Forms 1040-NR postponed?</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Yes. Forms 1040-NR and Federal income tax payments due for foreign trusts and estates on or after April 1, 2020, and before July 15, 2020, are now due on July 15, 2020.</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Q. Does the relief provided in Notice 2020-23 apply to payroll tax deposits or payments?</th>
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</thead>
<tbody>
<tr>
<td>A9. No. Notice 2020-23 does not address payroll tax deposits or payments, but Notice 2020-23 does provide postponement relief for filing a claim for credit or refund and bringing suit upon a claim for credit or refund for any tax, including payroll taxes. For information about additional relief that may be available to employers in connection with the Families First Coronavirus Response Act and the CARES Act legislation, including relief that allows employers to delay the deposit of certain employment taxes, go to IRS.gov/coronavirus.</td>
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<thead>
<tr>
<th>Q. Does the relief provided in Notice 2020-23 apply to excise taxes?</th>
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<tbody>
<tr>
<td>A. Notice 2020-23 postpones certain excise taxes only. Specifically, the Notice postpones to July 15, 2020, any excise tax payments on investment income and return filings on Form 990-PF, and excise tax payments and return filings on Form 4720, due on or after April 1, 2020, and before July 15, 2020.</td>
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</tbody>
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<table>
<thead>
<tr>
<th>Q. Does the relief provided in Notice 2020-23 apply to estate and gift taxes?</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Yes. Notice 2020-23 postpones to July 15, 2020, any estate and gift tax return filings and payments due on or after April 1, 2020, and before July 15, 2020. For additional information about relief that may be available for estate and gift tax return filings and payments under Notice 2020-23, please see COVID-19 Relief for Estate and Gift.</td>
</tr>
<tr>
<td>Q. Does the relief provided in Notice 2020-23 apply to section 965(h) installment payments?</td>
</tr>
<tr>
<td>---</td>
</tr>
<tr>
<td>A. Yes, the relief applies to section 965 installment payments due on or after April 1, 2020, and before July 15, 2020. Those payments are now due on July 15, 2020.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Q. Does the relief provided in Notice 2020-23 apply to estimated payments for a corporation required to make payments under section 59A (Basis Erosion and Anti-Abuse Tax, or BEAT)?</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Yes, for any taxpayer whose Federal income tax return filing deadline has been postponed to July 15, 2020, the due date for Form 8991 and the BEAT payment has also been postponed to July 15, 2020.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Q. Does the relief provided in Notice 2020-23 apply to the filing of information returns?</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Only the information returns identified in the Notice or in Rev. Proc. 2018-58 (PDF), due on or after April 1, 2020, and before July 15, 2020, have been postponed to July 15, 2020. No relief has been granted for any other information returns.</td>
</tr>
</tbody>
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**Filing and paying your 2019 Federal income taxes and your first and second quarter 2020 Federal estimated income taxes**

<table>
<thead>
<tr>
<th>Q. I haven’t filed my 2019 income tax return that would have been due on April 15 yet, but I expect to file it by July 15. What do I need to do?</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Nothing, except file and pay any tax due with your return by July 15. You don’t need to file any additional forms or call the IRS to qualify for this automatic Federal tax filing and payment relief. If you expect a refund, you are encouraged to file your return as soon as you can so that you can receive your refund quicker. Filing electronically with direct deposit is the quickest way to get refunds. If you need more time beyond July 15 to file your return, request an automatic extension of time to file as described next.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Q. What if I am unable to file my 2019 income tax return that was originally due on April 15, 2020, by July 15, 2020?</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. If you are an individual, you can request an automatic extension to file your Federal income tax return if you can’t file by the July 15 deadline. The easiest and fastest way to request a filing extension is to electronically file Form 4868 through your tax professional, tax software, or using the Free File. Businesses, including trusts, must file Form 7004 to request an automatic extension.</td>
</tr>
</tbody>
</table>
You must request the automatic extension by July 15, 2020. If you properly estimate your 2019 tax liability using the information available to you and file an extension form by July 15, 2020, your tax return will be due on October 15, 2020. To avoid interest and penalties when filing your tax return after July 15, 2020, pay the tax you estimate as due with your extension request. The extension only gives you additional time to file, it does not give you additional time to pay beyond July 15, 2020. If you do not pay your taxes by July 15, you will be subject to interest and penalties from July 16 until the date of payment.

U.S. citizens and permanent residents with a tax home in a foreign country who need an extension must file Form 2350 by July 15, 2020, if they can’t file their 2019 income tax return by the July 15 deadline. They should pay their taxes by July 15 to avoid interest and penalties.

<table>
<thead>
<tr>
<th>Q.</th>
<th>A.</th>
</tr>
</thead>
<tbody>
<tr>
<td>I already filed for an automatic extension to file my 2019 income tax return, but I haven’t paid my taxes yet. What do I need to do?</td>
<td>Pay your taxes in full by July 15 and file your income tax return by October 15 to avoid interest and penalties.</td>
</tr>
<tr>
<td>I already filed my 2019 income tax return that would have been due on April 15 and I owe taxes, but I haven’t paid yet. What do I need to do to avoid interest and penalties?</td>
<td>To avoid interest and penalties, pay your taxes in full by July 15, 2020. If you filed Form 1040 or Form 1040-SR, the tax payment amount can be found on line 23. If you filed Form 1040-NR, the tax payment amount can be found on line 75. For a corporation filing a Form 1120, the tax payment amount can be found on line 35. For an exempt organization required to file Form 990-T, the tax payment amount can be found on line 54. If you do not pay your taxes by July 15, 2020 you will be subject to interest and penalties from July 16, 2020 until the date of payment.</td>
</tr>
<tr>
<td>I already filed my 2019 income tax return that would have been due on April 15 and scheduled a payment of taxes for April 15, 2020. Will this payment be automatically rescheduled to July 15, 2020?</td>
<td>No. If you did not cancel the payment, then it was made on April 15, 2020.</td>
</tr>
<tr>
<td>Does this relief apply to state tax filing and payment deadlines?</td>
<td></td>
</tr>
</tbody>
</table>
A. No, this relief applies only to certain Federal tax filing and payment deadlines. State filing and payment deadlines vary and are not always the same as the Federal filing and payment deadline. We urge you to check with your state tax agencies for those details. More information is available at https://www.taxadmin.org/state-tax-agencies.

**Q. How and when do I pay my first and second quarter 2020 estimated income taxes?**

A. Notice 2020-23 postpones to July 15, 2020, all estimated income tax payments due on or after April 1, 2020, and before July 15, 2020. As a result, first quarter 2020 estimated income tax payments due April 15, 2020, and second quarter 2020 estimated income tax payments due June 15, 2020, have both been postponed to July 15, 2020. Make a single payment in an amount sufficient to cover both your first and second quarter estimated tax payments on or before July 15, 2020.

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**Individual Retirement Accounts (IRAs) and workplace-based retirement plans**

**Q. Does this relief provide me more time to contribute money to my IRA for 2019?**

A. Yes. Contributions may be made to your IRA, for a particular year, at any time during the year or by the due date for filing your return for that year. Because the due date for filing Federal income tax returns has been postponed to July 15, the deadline for making contributions to your IRA for 2019 is also extended to July 15, 2020. For more details on IRA contributions, see Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs).

**Q. If I owe the 10% additional tax on amounts includible in gross income from a distribution that I took from my IRA or workplace-based retirement plan in 2019, is the due date for paying that additional tax also extended to July 15, 2020 on account of this relief?**

A. Yes. Because the 10% additional tax is calculated, reported, and paid at the same time as the income tax owed on the amounts includible in gross income on the distribution, the reporting and payment of the 10% additional tax also has been extended to July 15, 2020 as a result of this relief.

**Q. For employers with a Federal income tax return due date of April 15, 2020, is the end of the grace period under section 404(a)(6) to make contributions to their qualified retirement plans on account of 2019 also July 15, 2020 as a result of this relief?**

A. Yes. Because these employers are Affected Taxpayers under Notice 2020-18 for whom the due date for filing Federal income tax returns and making Federal income tax payments that would be due April 15, 2020, is now July 15, 2020, the end of the grace period for these employers is also July 15, 2020 as a
result of this relief. So, for example, if an employer is a corporation with an April 15, 2020 due date for filing its Form 1120, then the grace period under section 404(a)(6) for the employer to make contributions to its workplace-based retirement plans that are treated as made on account of 2019 ends on July 15, 2020.

Q. I made an excess contribution to my IRA in 2019. Can I avoid the 6% excise tax if I withdraw the excess (and income on the excess amount) by July 15, 2020?

A. Yes, provided you didn’t (or don’t) take a deduction for the excess contribution when you file your tax return. Also, if you file your return by July 15, 2020, and don’t withdraw the excess by that date, you can still avoid the excise tax if you withdraw the excess (and income on the excess amount) by October 15, 2020. See Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs), for details.

Q. What is the due date for rolling over all or any portion of a qualified plan loan offset that occurred in 2019 to an eligible retirement plan?

A. If you file your tax return by July 15, 2020 (the postponed tax return deadline granted in Notice 2020-18), you will have until October 15, 2020, to roll over all or any portion of a qualified plan loan offset to an eligible retirement plan. Notice 2020-18 did not extend this October 15, 2020, rollover deadline.

Health Savings Accounts (HSAs) and Archer Medical Savings Accounts (MSAs)

Q. Does this relief provide me more time to contribute money to my HSA or Archer MSA for 2019?

A. Yes. Contributions may be made to your HSA or Archer MSA, for a particular year, at any time during the year or by the due date for filing your return for that year. Because the due date for filing Federal income tax returns is now July 15, 2020, under this relief, you may make contributions to your HSA or Archer MSA for 2019 at any time up to July 15, 2020. For more details on HSA or Archer MSA contributions, see Publication 969, Health Savings Accounts and other Tax-Favored Health Plans.

Q. I made an excess contribution to my HSA in 2019. Can I avoid the 6% excise tax if I withdraw the excess amount (and income on the excess amount) by July 15, 2020?

A. Yes, provided that you didn’t make the contributions to the HSA through a salary reduction or similar arrangement with your employer, and you didn’t (or don’t) take a deduction for the excess contribution when you file your tax return. Also, if you file your return by July 15, 2020, and don’t
withdraw those excess contributions by that date, you can still avoid the excise tax if you withdraw the excess (and income on the excess amount) by October 15, 2020

Other questions

Q. I want to file a claim for a refund for 2016, which must be filed by April 15, 2020 to be timely. Does this relief give me more time to claim my 2016 refund?


Q. I received a Notice of Deficiency from the IRS. The Notice of Deficiency is dated March 3, 2020. Normally, I would have 90 days from that date to file a petition in the Tax Court. Has my time to file a Tax Court petition been postponed?

A. Yes. Under the relief provided in Notice 2020-23, if the due date for filing your Tax Court petition falls on or after April 1, 2020, and before July 15, 2020, that due date has been postponed to July 15, 2020. Your Notice of Deficiency dated March 3, 2020, would ordinarily require you to file a Tax Court petition by June 1, 2020. Under Notice 2020-23, the due date is postponed, not tolled or suspended. Therefore, your due date for filing a Tax Court petition is postponed to July 15, 2020.

If you have mailed your petition to the court and it is postmarked on or before July 15, 2020, it will be timely. If the petition postmark is after July 15, 2020, your petition will be untimely. If you timely mailed your petition to the court and it was returned by the US Postal Service or designated private delivery services approved by the IRS in Notice 2016-30 (PDF), please retain a copy of the original timely postmarked envelope or receipt from the designated private delivery service and resend the original envelope or designated private delivery service receipt to the court with your re-sent petition. If the ressent envelope is postmarked or received by a designated private delivery service prior to or on July 15, 2020, your petition will be timely. If you do not retain the proof of original mailing or designated private delivery service receipt and your re-sent petition is postmarked or sent by designated private delivery service after July 15, 2020, the court will have no basis to determine that your petition was timely and will dismiss your case.

Q. How does this notice operate with the Tax Court case of Guralnik v. Commissioner, 146 T.C. 230 (2016), which applied Federal Rule of Civil Procedure 6(a)(3)(A) to provide additional time for the filing of a petition when the clerk’s office was closed due to a snow emergency? Does the taxpayer get the benefit of both periods? (added April 27, 2020)

A. Yes, a taxpayer will get the benefit of both periods. For example, if the last day for filing a petition fell on March 19, 2020, the date that the Tax Court closed, the taxpayer will get the benefit of Guralnik from March 19, 2020 and the benefit of this notice from April 1, 2020 until July 15, 2020. If the court were to
reopen before the expiration of the notice postponement period, the taxpayer will get the benefit of the postponement until July 15, 2020. If the court reopens after the notice postponement period (that is, after July 15, 2020), the due date for the taxpayer’s petition is extended to the Tax Court’s reopening date under Guralnik and the relief under Notice 2020-23 does not apply.

<table>
<thead>
<tr>
<th>Q. I received a Notice of Intent to Levy and Notice of Your Right to a Hearing from the IRS. The Notice is dated March 16, 2020. Normally, I would have 30 days to request an administrative Collection Due Process (CDP) hearing with the IRS Independent Office of Appeals. Has my time to request an administrative CDP hearing been postponed?</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Yes. Under the relief provided in Notice 2020-23, if the due date for requesting an administrative CDP hearing falls on or after April 1, 2020, and before July 15, 2020, that due date has been postponed to July 15, 2020. Your Notice dated March 16, 2020, would ordinarily require you to request an administrative CDP hearing by April 16, 2020. Under Notice 2020-23, your due date for requesting an administrative CDP hearing is postponed to July 15, 2020.</td>
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<tr>
<th>Q. I had a CDP administrative hearing, and I have now received the IRS’s Notice of Determination, stating that the IRS plans to proceed with the proposed levy. The Notice of Determination is dated March 16, 2020. Normally, I would have 30 days to appeal the IRS’s determination by filing a petition in the Tax Court. Has my time to file a petition for a CDP appeal in the Tax Court been postponed?</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Yes. Under the relief provided in Notice 2020-23, if the due date for filing your Tax Court petition falls on or after April 1, 2020 and before July 15, 2020, that due date has been postponed to July 15, 2020. Your Notice of Determination from the IRS dated March 16, 2020, would ordinarily require you to file a Tax Court petition by April 15, 2020. Under Notice 2020-23, your due date for filing a Tax Court petition is postponed to July 15, 2020. For more information about timely mailing your Tax Court petition, see the answer to question above.</td>
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<tr>
<th>Q. I am not eligible for a Social Security Number (SSN) and would like to claim the child tax credit (CTC) or the additional child tax credit (ACTC) for my qualifying child who has an SSN. I understand that I am required to have an Individual Taxpayer Identification Number (ITIN) issued on or before the due date of my 2019 tax return in order to claim these credits. If I apply for my ITIN by July 15, 2020, will my ITIN be considered to have been issued in time to claim these credits?</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Yes. If you file your ITIN application with your 2019 tax return by July 15, 2020, and the IRS issues you an ITIN as a result of the application, the IRS will consider your ITIN to have been issued on or before the due date of your return.</td>
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| Q. My spouse and I are not eligible for SSNs. We would like to claim the American |
Opportunity Tax Credit (AOTC) for qualified education expenses that we paid for my spouse on our joint 2019 tax return. In order to claim the AOTC, my spouse and I must have valid Individual Taxpayer Identification Numbers (ITINs) issued on or before the due date of our return. If we apply for our ITINs by July 15, 2020, will our ITINs be considered to have been issued in time to claim these credits?

A. Yes. If you file your ITIN application with your 2019 tax return by July 15, 2020, and the IRS issues you an ITIN as a result of the application, the IRS will consider your ITIN to have been issued on or before the due date of your return.

**Q. Does this relief postpone the time for filing Form 4466, Corporation Application for Quick Refund of Overpayment of Estimated Tax?**

A. Yes. Notice 2020-23 (PDF) postpones to July 15, 2020, the time for filing any Form 4466 due on or after April 1, 2020, and before July 15, 2020. For more information on Form 4466, please see the explanation provided in Rev. Proc. 2018-58 (PDF).

**Q. Does this relief postpone the time for filing Form 1139, Corporation Application for Tentative Refund?**

A. Yes. Notice 2020-23 postpones to July 15, 2020, the time for filing any Form 1139 due on or after April 1, 2020, and before July 15, 2020. For more information on Form 1139, please see the explanation provided in Rev. Proc. 2018-58 (PDF) and recent developments about Form 1139. For additional relief for the filing of applications for tentative carryback adjustments with respect to the carryback of an NOL that arose in any taxable year that began during calendar year 2018 and that ended on or before June 30, 2019, see Notice 2020-26 (PDF).

**Q. I failed to make the required installments of estimated tax in the required amounts during 2019 for my 2019 taxable year. Does this relief apply to an estimated tax penalty for 2019?**

A. No, the relief does not change the estimated tax requirements or estimated tax penalty for 2019. Relief from the penalty may be available under the normal rules. See Form 2210 (for individuals) or Form 2220 (for corporations) and the instructions for either form for details.
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 amplifies Notice 2020-18.

II. BACKGROUND

Section 7508A of the Internal Revenue Code (Code) 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 (Treasury Department) and the Internal Revenue Service (IRS) issued Notice 2020-17, to be published in Internal Revenue Bulletin (IRB) 2020-15 on April 6, 2020, providing relief under section 7508A(a), which postponed the due date for certain Federal income tax payments from April 15, 2020 until July 15, 2020. On March 20, 2020, the Treasury Department and the IRS issued Notice 2020-18, to be published in IRB 2020-15, which superseded Notice 2020-17 and provided expanded relief, postponing the due date for both filing Federal income tax returns and making Federal income tax payments from April 15, 2020 until July 15, 2020. This notice amplifies the relief provided in Notice 2020-18.

III. GRANT OF RELIEF

The Secretary of the Treasury has determined that any person (as defined in section 7701(a)(1) of the Code) with a Federal gift tax or generation-skipping transfer tax payment due or the requirement to file Form 709 (United States Gift and Generation-Skipping Transfer Tax Return) on April 15, 2020, is also affected by the COVID-19 emergency for purposes of the relief described in this section III (Affected Taxpayer).

For an Affected Taxpayer, the due date for filing Forms 709 (United States Gift and Generation-Skipping Transfer Tax Return) and making payments of Federal gift
and generation-skipping transfer tax due April 15, 2020, is automatically postponed to July 15, 2020.

This relief is automatic; there is no requirement to file Form 8892 (Application for Automatic Extension of Time to File Form 709 and/or Payment of Gift/Generation-Skipping Transfer Tax) to obtain the benefit of this filing and payment postponement until July 15, 2020. However, an Affected Taxpayer may choose to file Form 8892 by July 15, 2020, to obtain an extension to file Form 709 by October 15, 2020 (any Federal gift and generation-skipping transfer tax payments postponed by this notice will still be due on July 15, 2020).

As a result of the postponement of the due date for filing Forms 709 and making Federal gift and generation-skipping transfer 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 a Form 709 or to pay Federal gift and generation-skipping transfer taxes shown on that Form and postponed by this notice. Interest, penalties, and additions to tax with respect to such postponed Forms 709 and payments will begin to accrue on July 16, 2020.

IV. EFFECT ON OTHER DOCUMENTS

Notice 2020-18 is amplified.

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).
Part III - Administrative, Procedural, and Miscellaneous

Update to Notice 2020-18, Additional Relief for Taxpayers Affected by Ongoing Coronavirus Disease 2019 Pandemic

Notice 2020-23

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.A of this notice that the Secretary of the Treasury has determined to be affected by the COVID-19 emergency. This notice amplifies Notice 2020-18, 2020-15 IRB 590 (April 6, 2020), and Notice 2020-20, 2020-16 IRB 660 (April 13, 2020).
II. BACKGROUND

Section 7508A of the Code 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 (Treasury Department) and the Internal Revenue Service (IRS) issued Notice 2020-17 providing relief under section 7508A(a), which postponed the due date for certain Federal income tax payments from April 15, 2020, until July 15, 2020. On March 20, 2020, the Treasury Department and the IRS issued Notice 2020-18, which superseded Notice 2020-17 and provided expanded relief, postponing the due date from April 15, 2020, until July 15, 2020, for filing Federal income tax returns and making Federal income tax payments due April 15, 2020. On March 27, 2020, the Treasury Department and the IRS issued Notice 2020-20, which amplified Notice 2020-18 and provided additional relief, postponing certain Federal gift (and generation-skipping transfer) tax return filings and payments.

This notice further amplifies the relief provided in Notice 2020-18 and Notice 2020-20, providing additional relief to affected taxpayers as described in section III. In addition, section III.D of this notice postpones due dates with respect to certain government acts, and section III.E of this notice postpones the application date to participate in the Annual Filing Season Program.
The relief provided under section 7508A in this notice, Notice 2020-18, and Notice 2020-20, is limited to the relief explicitly provided in these notices and does not apply with respect to any other type of Federal tax, any other type of Federal tax return, or any other time-sensitive act. For information about additional relief that may be available in connection with the COVID-19 emergency, including relief provided to employers that allows them to delay the deposit of certain employment taxes, go to IRS.gov/Coronavirus.

III. GRANT OF RELIEF

A. Taxpayers Affected by COVID-19 Emergency

The Secretary of the Treasury has determined that any person (as defined in section 7701(a)(1) of the Code) with a Federal tax payment obligation specified in this section III.A (Specified Payment), or a Federal tax return or other form filing obligation specified in this section III.A (Specified Form), which is due to be performed (originally or pursuant to a valid extension) on or after April 1, 2020, and before July 15, 2020, is affected by the COVID-19 emergency for purposes of the relief described in this section III (Affected Taxpayer). The payment obligations and filing obligations specified in this section III.A (Specified Filing and Payment Obligations) are as follows:

(Including the Additional Child Tax Credit for Bona Fide Residents of Puerto Rico);


- Calendar year or fiscal year partnership return filings on Form 1065, U.S. Return of Partnership Income, and Form 1066, U.S. Real Estate Mortgage Investment Conduit (REMIC) Income Tax Return;

• Estate and generation-skipping transfer tax payments and return filings on Form 706, United States Estate (and Generation-Skipping Transfer) Tax Return, 706-NA, United States Estate (and Generation-Skipping Transfer) Tax Return, 706-A, United States Additional Estate Tax Return, 706-QDT, U.S. Estate Tax Return for Qualified Domestic Trusts, 706-GS(T), Generation-Skipping Transfer Tax Return for Terminations, 706-GS(D), Generation-Skipping Transfer Tax Return for Distributions, and 706-GS(D-1), Notification of Distribution from a Generation-Skipping Trust (including the due date for providing such form to a beneficiary);
• Form 706, United States Estate (and Generation-Skipping Transfer) Tax Return, filed pursuant to Revenue Procedure 2017-34;
• Form 8971, Information Regarding Beneficiaries Acquiring Property from a Decedent and any supplemental Form 8971, including all requirements contained in section 6035(a) of the Code;
• Gift and generation-skipping transfer tax payments and return filings on Form 709, United States Gift (and Generation-Skipping Transfer) Tax Return that are due on the date an estate is required to file Form 706 or Form 706-NA;
• Estate tax payments of principal or interest due as a result of an election made under sections 6166, 6161, or 6163 and annual recertification requirements under section 6166 of the Code;
• Exempt organization business income tax and other payments and return filings on Form 990-T, Exempt Organization Business Income Tax Return (and proxy tax under section 6033(e) of the Code);
• Excise tax payments on investment income and return filings on Form 990-PF, Return of Private Foundation or Section 4947(a)(1) Trust Treated as Private Foundation, and excise tax payments and return filings on Form 4720, Return of Certain Excise Taxes under Chapters 41 and 42 of the Internal Revenue Code; and


The Secretary of the Treasury has also determined that any person performing a time-sensitive action listed in either § 301.7508A-1(c)(1)(iv) – (vi) of the Procedure and Administration Regulations or Revenue Procedure 2018-58, 2018-50 IRB 990 (December 10, 2018), which is due to be performed on or after April 1, 2020, and before July 15, 2020 (Specified Time-Sensitive Action), is an Affected Taxpayer. For purposes of this notice, the term Specified Time-Sensitive Action also includes an investment at the election of a taxpayer due to be made during the 180-day period described in section 1400Z-2(a)(1)(A) of the Code.

B. Postponement of Due Dates with Respect to Certain Federal Tax Returns and Federal Tax Payments
For an Affected Taxpayer with respect to Specified Filing and Payment Obligations, the due date for filing Specified Forms and making Specified Payments is automatically postponed to July 15, 2020.

This relief is automatic; Affected Taxpayers do not have to call the IRS or file any extension forms, or send letters or other documents to receive this relief. However, Affected Taxpayers who need additional time to file may choose to file the appropriate extension form by July 15, 2020, to obtain an extension to file their return, but the extension date may not go beyond the original statutory or regulatory extension date. For example, a Form 4868, Application for Automatic Extension of Time to File U.S. Individual Income Tax Return, may be filed by July 15, 2020, to extend the time to file an individual income tax return, but that extension will only be to October 15, 2020. That extension will not extend the time to pay federal income tax beyond July 15, 2020.

This relief includes not just the filing of Specified Forms, but also all schedules, returns, and other forms that are filed as attachments to Specified Forms or are required to be filed by the due date of Specified Forms, including, for example, Schedule H and Schedule SE, as well as Forms 3520, 5471, 5472, 8621, 8858, 8865, and 8938. This relief also includes any installment payments under section 965(h) due on or after April 1, 2020, and before July 15, 2020. Finally, elections that are made or required to be made on a timely filed Specified Form (or attachment to a Specified Form) shall be timely made if filed on such Specified Form or attachment, as appropriate, on or before July 15, 2020.
As a result of the postponement of the due date for filing Specified Forms and making Specified Payments, the period beginning on April 1, 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 Specified Forms or to pay the Specified Payments postponed by this notice. Interest, penalties, and additions to tax with respect to such postponed Specified Filing and Payment Obligations will begin to accrue on July 16, 2020.

C. Relief With Respect to Specified Time-Sensitive Actions

Affected Taxpayers also have until July 15, 2020, to perform all Specified Time-Sensitive Actions, that are due to be performed on or after April 1, 2020, and before July 15, 2020. This relief includes the time for filing all petitions with the Tax Court, or for review of a decision rendered by the Tax Court, filing a claim for credit or refund of any tax, and bringing suit upon a claim for credit or refund of any tax. This notice does not provide relief for the time period for filing a petition with the Tax Court, or for filing a claim or bringing a suit for credit or refund if that period expired before April 1, 2020.

D. Postponement of Due Dates with Respect to Certain Government Acts

This notice also provides the IRS with additional time to perform the time-sensitive actions described in § 301.7508A-1(c)(2) as provided in this section III.D (Time-Sensitive IRS Action). Due to the COVID-19 emergency, IRS employees, taxpayers, and other persons may be unable to access documents, systems, or other resources necessary to perform certain time-sensitive actions due to office closures or state and local government executive orders restricting activities. The lack of access to those documents, systems, or resources will materially interfere with the IRS’s ability to
timely administer the Code. As a result, IRS employees will require additional time to perform time-sensitive actions.

Accordingly, the following persons (as defined in section 7701(a)(1) of the Code) are “Affected Taxpayers” for the limited purpose of this section III.D:

- persons who are currently under examination (including an investigation to determine liability for an assessable penalty under subchapter B of Chapter 68);
- persons whose cases are with the Independent Office of Appeals; and
- persons who, during the period beginning on or after April 6, 2020 and ending before July 15, 2020, file written documents described in section 6501(c)(7) of the Code (amended returns) or submit payments with respect to a tax for which the time for assessment would otherwise expire during this period.

With respect to those Affected Taxpayers, a 30-day postponement is granted for Time-Sensitive IRS Actions if the last date for performance of the action is on or after April 6, 2020, and before July 15, 2020.

As a result of the postponement of the time to perform Time-Sensitive IRS Actions, the 30-day period following the last date for the performance of Time-Sensitive IRS Actions will be disregarded in determining whether the performance of those actions is timely.

This section III.D is subject to review and further postponement, as appropriate.

E. Extension of Time to Participate in the Annual Filing Season Program

Revenue Procedure 2014-42, 2014-29 IRB 192, created a voluntary Annual Filing Season Program to encourage tax return preparers who do not have credentials
as practitioners under Treasury Department Circular No. 230 (Regulations Governing Practice before the Internal Revenue Service) to complete continuing education courses for the purpose of increasing their knowledge of the law relevant to federal tax returns. Tax return preparers who complete the requirements in Rev. Proc. 2014-42 receive an annual Record of Completion. Under Rev. Proc. 2014-42, applications to participate in the Annual Filing Season Program for the 2020 calendar year must be received by April 15, 2020. The 2020 calendar year application deadline is postponed to July 15, 2020.

IV. EFFECT ON OTHER DOCUMENTS


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 the COVID-19 Disaster Relief Hotline at (202) 317-5436 (not a toll-free call). For further information regarding estate, gift, trust, and generation-skipping transfer tax issues related to this notice, please contact Daniel Gespass, of CC:PSI: Br. 4 at (202) 317-6859 (not a toll-free call).