



March 19, 2020

Treasury Department Extends April 15 Tax Payment Deadline

Due to the COVID-19 emergency, the [Treasury Department](#) and [IRS](#) yesterday extended the April 15, 2020 tax payment deadline until July 15, 2020. This [automatic extension](#) applies to 2019 federal income tax payments and 2020 estimated federal income tax payments (including payments on self-employment taxes) that otherwise would have been due on April 15.

No Change to April 15 Tax Filing Deadline

The extension does not affect the April 15 deadline for filing tax returns but instead allows taxpayers who owe a payment to the IRS to defer the payment until July 15 without interest or penalties. Taxpayers who file a tax return or request an extension of time to file by April 15, 2020, will automatically avoid interest and penalties on the taxes paid by July 15. Taxpayers do not need to file any additional forms or contact the IRS to qualify for this relief.

Many, but Not All, Payments Are Eligible for Extension

For all individual taxpayers, including self-employed individuals, and all entities other than C corporations, such as trusts or estates, the extension applies to federal income tax payments of up to \$1 million due April 15. For individual taxpayers, the payment amount eligible for extension is \$1 million regardless of the individual's filing status (e.g., single or married filing jointly). For C corporations, the extension applies to payments of up to \$10 million for each consolidated group and for each C corporation that does not join in filing a consolidated return.

No penalties or interest for failure to pay will accrue on payment amounts eligible for the extension between April 15 and July 15, 2020. Penalties and interest will begin to accrue on any remaining unpaid balances as of July 16, 2020. In addition, payments due that exceed the amounts eligible for extension will be subject to penalties and interest if not paid by April 15, 2020.

The extension does not apply to payment or deposit of any other type of federal tax, or for the filing of any tax return or information return. It also does not appear to apply to payments of federal unrelated business income tax (UBIT) owed by tax-exempt organizations, as those payments are generally not due April 15.

Massachusetts Department of Revenue Likely to Follow IRS

As of today (March 19), the Massachusetts Department of Revenue [website](#) states that "In the event the Internal Revenue Service (IRS) issues tax relief to taxpayers with federal filing



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obligations, DOR is prepared to follow the IRS in offering similar relief for taxpayers with Massachusetts tax filing obligations.”

[Treasury](#) and [IRS](#) will issue additional guidance as needed and we will keep you updated as further guidance becomes available.

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