

NEWS ALERT**TAX GROUP****IRS Delays April 15 Tax Payment Deadline By 90 Days**

By Marc T. Finer | March 18, 2020

On Tuesday, March 17, the US Treasury announced that it was extending the April 15 income tax payment deadline for 90 days in an effort to assist millions of taxpayers cope with the economic impact of the coronavirus pandemic. With limited exceptions, this extension gives individual and many businesses, including sole proprietorships and corporations, until July 15, 2020 to pay the IRS if they owe additional 2019 income tax liabilities. According to the announcement, individuals can defer up to \$1 million of tax liabilities, and corporations can defer up to \$10 million of tax liabilities, with no interest or penalties being imposed.

Importantly, the IRS has not extended the deadline for taxpayers to file their income tax returns beyond April 15 unless an extension is filed. However, permitting the delay of tax payments until July 15 should offer some relief to individuals who are experiencing cash flow issues caused by layoffs, temporary furloughs, or reduced work hours. The delay should also help businesses who are experiencing significant losses as a result of people are staying home and temporary shut downs or reductions in the services or products they can offer.

This Treasury announcement follows an announcement by the Connecticut Department of Revenue Services on March 16 that it is giving certain businesses additional time to file Connecticut tax returns in order to support businesses and tax practitioners during the coronavirus outbreak (See, Connecticut Extends Tax Filing Deadlines for Certain Businesses and May Offer Additional Extensions https://www.murthalaw.com/files/tax_connecticut_extends_tax_filing_deadlines_for_certain_businesses_and_may_offer_additional_extensions.pdf)

If you have any questions regarding the Treasury announcement or how it might affect your business, please contact Marc T. Finer, Tax Partner, at 860-240-6096 or mfiner@murthalaw.com.

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