

NEWS ALERT

TRUSTS & ESTATES



Another Day, Another (Welcome) Delay: IRS and Connecticut Extend Due Dates for Filing Gift Tax Returns and Paying Associated Taxes

By Patrick D. Coughlin | April 3, 2020

In an initial response to the COVID-19 pandemic, the IRS and the State of Connecticut extended the time for filing income tax returns and paying 2019 income taxes and 2020 estimated income taxes.¹ Now, both the IRS and Connecticut have added parallel relief for gift tax returns and payments.

[IRS Notice 2020-20](#) extended the due date for filing federal gift tax returns (Form 709) and making any associated gift tax payments from April 15, 2020 to July 15, 2020.

While this relief, like the relief offered for income tax returns and payments, is automatic, taxpayers who normally take advantage of the traditional automatic six-month extension of time to file Form 709 to October 15 must still file the extension form (Form 8892) before July 15, 2020. Even with filing Form 8892, the due date to make any federal gift tax payments will still be July 15, 2020. However, any interest, penalties or addition to tax for failure to file Form 709 will only accrue from that date, rather than from April 15, 2020.

It took a few more days, but Connecticut has now followed suit. On April 2, 2020, the Connecticut Department of Revenue Services (“DRS”) announced that Connecticut gift tax returns (Form CT-706/709) that must be filed to report gifts, and any associated gift taxes owed, will be due on July 15, 2020 and not April 15, 2020.² As this newsletter is being published, Connecticut’s relief is based on informal Frequently Asked Questions posted on the DRS website rather than on any official notice. Therefore, we are uncertain as to how a taxpayer might obtain an extension until October 15, 2020 to file a Connecticut gift tax return, and how any late payment penalties and interest will be computed.

Neither the IRS nor the DRS has extended the filing or payment deadlines for estate tax returns and associated taxes. Typically, the federal estate tax return (Form 706) is due nine months from date of death, as is any federal estate tax owed, and the Connecticut estate tax return (Form CT-706) is due six months from date of death, as is any Connecticut estate tax owed. We do not expect the IRS or DRS to extend estate tax return and payment due dates.

Please contact your Murtha Cullina LLP estate planning attorney to discuss the impact of COVID-19 developments on your estate plan in more detail.

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¹ See [IRS Notice 2020-18](#) and [our summary](#).

² [DRS COVID-19 Response: Frequently Asked Questions](#).