

2020 Income Taxes: April 15 Filing Deadline Remains, But IRS Allows 90-Day Extension of Time to Pay Taxes

Client Alert

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By: [Brian Selvin](#)

On March 17, 2020, Treasury Secretary Steven Mnuchin announced that the IRS would extend by 90 days the deadline for the payment of taxes for amounts owed by individuals up to \$1 million, and by corporations up to \$10 million. This extension applies only to the payment of tax and does not extend the deadline for the filing of Federal individual income tax returns, which remains April 15th. However, individuals are still eligible for an automatic 6-month extension of time to file by filing Form 4868.

Since Secretary Mnuchin's announcement, the IRS has released Notice 2020-17 to provide guidance regarding the extension of time to pay taxes. The Notice states that the extension applies to federal income taxes due on April 15, 2020 with respect to a taxpayer's 2019 taxable year, as well as estimated payments due on that date with respect to a taxpayer's 2020 taxable year.

No other estimated tax payments are mentioned in the Notice. Thus, without further action from the IRS, a self-employed taxpayer's 2nd quarter estimated tax payment, due June 15, 2020, will be payable prior to the extended due date for 1st quarter estimated tax payments, July 15, 2020.

While the extension does not relieve anyone from liability for the income taxes they may owe, it may provide some relief from the cashflow issues facing many Americans due to the COVID-19 crisis. For those who may be owed a refund, filing one's return as early as possible will still provide them with their refund.


In addition to delaying the payment of taxes due on 2019 Federal returns in response to the COVID-19 outbreak, the IRS has stopped certain enforcement actions such as levies and collection notices.

Late yesterday, March 18, 2020, President Trump signed into law the Families First Coronavirus Response Act (H.R. 6201), which will become binding on April 2, 2020 and is set to expire on December 31, 2020. The new law, which expands the requirements of employers to provide paid emergency sick leave as well as family and medical

leave, also establishes a new employer tax credit to offset wages for displaced employees.

Presently, none of the above changes impact New Jersey state tax filing requirements. This week, the New Jersey Assembly passed a bill whereby the State would match any extension for filing granted by the Federal government. Unfortunately, the Federal government did not grant any extensions for filing but merely waived interest and penalties for non-payment of taxes up to the stated limits for a period of 90 days. Thus, either the New Jersey legislature must amend its bill or the Division of Taxation may act administratively in extending the time to file New Jersey state income tax returns and/or pay taxes without legislation.

Related Attorneys

A professional headshot of Brian Selvin, a middle-aged man with short grey hair, wearing a dark suit, light blue shirt, and yellow tie. He is smiling slightly and looking towards the camera. The background is a soft, out-of-focus green and white.

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