

Important Reminder - Update Your Calendar For New Tax Dates

April 14, 2020

The COVID-19 pandemic has changed so much about our personal and financial lives. One item to keep in mind is that the Internal Revenue Service, along with most states, have changed the due date for filing income tax returns and paying your balances for 2019, as well as your 1st and 2nd quarter estimated tax payments for 2020.

As many of you know, the due date for filing your Federal income tax return for 2019, which is normally April 15th, has been extended until July 15, 2020. The postponement is not just an extension of time for filing, but also an extension of time for paying any balance due. There will be no interest or penalties charged for any balance that would have been due on April 15th, provided such balance is paid on or before July 15, 2020. (Penalties for underpayment of 2019 estimated taxes will still apply, but no additional penalty will be added for the period beginning April 15, 2020 and ending on the earlier of July 15, 2020 or the date the payment is made).

Estimated taxes for the current year are typically due on April 15th, June 15th, September 15th and January 15th (of the following year). For 2020, certain of those due dates have been extended. The quarterly Federal estimated tax payments due on April 15th and June 15th are both now due on or before July 15th. As of now, the due dates for 3rd and 4th quarter estimates have not been adjusted. Most states have also extended the 1st quarter estimate due date to July 15th.

We are hopeful that we will all return to our standard daily routines by July 15, 2020. In the meantime, we suggest that you plan in advance for the amounts you may owe as we approach July 15th. That balance could include your 2019 balance along with two quarterly installments of your 2020 estimated taxes.

It is also important to carefully consider how the pandemic has impacted your finances and adjust your 2020 estimates accordingly. Lastly, the CARES Act provided several additional areas of tax relief that should be reviewed as well for

opportunities to reduce tax balances or generate tax refund claims.

Please reach out to your Anchin Relationship Partner with any questions you may have or for assistance. In addition, our COVID-19 Resource Team can be contacted at COVID19@anchin.com.

Please stay tuned for more informative e-mails to follow.

Disclaimer: Please note this is based on the information that is currently available and is subject to change.