

Welcome to Edition 18 of The Newsletter from Scott H. Novak, Attorney at Law. The Newsletter is designed to bring timely and interesting topics to accountants and attorneys. Comments and suggestions are always welcome. Feel free to call or write at any time.

Tax Deadlines and the Pandemic

Strange world we're living in at the moment. I thought it might be helpful to get out a short piece that sets forth what the IRS has done recently with regard to tax deadlines in the face of the pandemic. Here they are:

Filing and paying deadline: For all taxpayers who file and pay their income taxes by April 15, the new deadline is July 15. This applies to all individual returns, trusts and corporations. No extension request is necessary. If you cannot file by July 15, file a Form 4868 to get an extension to October 15. Remember - getting an extension to file does not extend the time to pay, which will remain at July 15. There is a limit on how much can be deferred: up to \$1 million for individuals and \$10 million for corporations.

First quarter 2020 estimated taxes: These are also due on July 15. Note that second quarter estimated taxes are still due on June 15. The limits stated above apply to estimated taxes also.

Latest date to contribute to an IRA for 2019: The latest that you can contribute to your IRA for 2019 is July 15.

Installment agreement payments: If you or a client are making payments to the IRS under an installment agreement, payments that are due between April 1 and July 15 are suspended. The installment agreement will not default for nonpayment. Interest will continue to accrue.

Liens and levies: Liens and levies initiated by IRS field personal or automatically are suspended until July 15. This may not apply to "wealthy" taxpayers.

Note regarding nonfilers: Many nonfilers actually are entitled to refunds. The statute of limitations on refunds is three years. Refunds from returns older than that will not be paid. In addition, while the rules are not yet entirely clear, whether or not you or a client qualify for the \$1,200 upcoming payment from the government may be based on your or the client's 2018 federal income tax return. It would be a good idea to get it filed.

There are a number of other provisions and circumstances that the IRS has provided guidance for. If you have any questions about your specific situation, please feel free

to contact me.

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