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Federal Income Tax Payment Deadline Extended for 90 Days Beyond April 15



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As part of an effort to provide some measure of tax relief during the COVID-19 outbreak, the IRS has pushed back the April 15 deadline to July 15, 2020, for those taxpayers – including individuals, corporations and trusts – to pay their 2019 income tax liability, including tax on self-employment income.

The income tax filing deadline of April 15 has ***not*** been changed, but the standard six-month filing extension is still available. The extension of the income tax payment deadline also applies to taxpayers filing extensions, which is an additional benefit to them this year since at least 90% of income tax liability is usually owed at the time of filing an extension.

Other details announced included:

- The income tax payment extension is available to corporations owing up to $10 million.
- For all other affected taxpayers regardless of filing status, the relief is available to those who owe up to $1 million.
- Interest and penalties will *not* apply during the 90-day extension on payments.
- The deadline to file 2020 first quarter estimated tax payments, including taxes on self-employment income, is also extended to July 15, 2020.

STATE RETURNS: Most states – including Illinois – have not yet released any statements or guidance regarding an extension of the April 15 income tax filing and payment deadline.

We expect there will be additional details on the implementation of this relief and will update you as necessary.If you have questions or want to discuss these matters, please contact one of the lawyers in our Tax Planning and Compliance Practice.