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## COVID-19 Update -- Internal Revenue Service and Franchise Tax Board Move Tax Day to July 15th

On March 20, 2020, the IRS issued guidance (Notice 2020-18) that postponed the tax return filing and tax payment deadline from April 15, 2020 to July 15, 2020. The extension is applicable to all taxpayers without regard to the amount of tax owed and is automatic, so extension Forms 4868 or 7004 (as applicable) do not need to be filed prior to July 15, 2020. The extension applies to federal income tax payments and income tax returns due April 15, 2020 with respect to the 2019 tax year and to quarterly estimated taxes for the 2020 tax year due April 15, 2020. The extension does not apply to the payment of any other federal taxes or to the filing of information returns due on April 15, 2020. The period from April 15, 2020 to July 15, 2020 will be disregarded in the calculation of penalties, interest, and the additions to tax on any unpaid amounts subject to the extension. Interest, penalties and additions to tax will begin to accrue on amounts unpaid for the new July 15 deadline on July 16, 2020.

The IRS had previously issued guidance that delayed on the tax payment deadline to July 15, 2020 and only for taxpayers owing up to a limited amount. This new guidance expands upon and supersedes that previous guidance.

California has conformed to the IRS changes and has extended the date to file and pay income tax due April 15, 2020 until July 15, 2020. California has also extended the due date for 2020 first and second quarter estimates until July 15, 2020.

MMA will continue to monitor updates from these agencies and keep you informed.

