

IRS EXPANDS RELIEF BY ALLOWING DEFERRAL OF APRIL 2020 ESTIMATED PAYMENTS

MARCH 19, 2020

On March 17, Treasury Secretary Mnuchin announced that payments of 2019 tax balances otherwise due on April 15 could be paid without penalty or interest on July 15. The Secretary stated that C corporations could defer up to \$10 million and individuals could defer up to \$1 million. Read our Client Alert [here](#).

On March 18, the IRS expanded the relief by allowing deferral of estimated 2020 payments due on April 15 until July 15, in addition to the 2019 balances due. However, the \$10 million corporate and \$1 million individual limits apply to the total payments due on April 15, including both the 2020 first quarter estimated 2020 payment plus the 2019 balances due. The IRS also confirmed that the individual \$1 million limit applies regardless of whether the taxpayers filed single, married-joint, married-separate, or head of household.

Note that if you wish to extend the filing of your return, you need to follow the usual procedure as the relief applies only to payments.

One question not addressed is whether the second quarter estimated payment, which is normally due on June 15, would be affected by the notice. We anticipate further clarification as this guidance evolves.

ADDITIONAL INFORMATION

For additional information or assistance, please contact:

- [Michael Harris](#) | 216.696.3738 | michael.harris@tuckerellis.com
- [Chris Hewitt](#) | 216.696.2691 | christopher.hewitt@tuckerellis.com
- [Peter Igel](#) | 216.696.5084 | peter.igel@tuckerellis.com
- [Jayne Juvan](#) | 216.696.5677 | jayne.juvan@tuckerellis.com
- [Brian O'Neill](#) | 216.696.5590 | brian.oneill@tuckerellis.com
- [Peter Rome](#) | 216.696.4893 | peter.rome@tuckerellis.com
- [Jonathan Harris](#) | 312.624.6316 | jonathan.harris@tuckerellis.com
- [Ronald Stansbury](#) | 216.696.5812 | ronald.stansbury@tuckerellis.com
- [Corine Corpora](#) | 216.696.5581 | corine.corpora@tuckerellis.com

This Client Alert has been prepared by Tucker Ellis LLP for the use of our clients. Although prepared by professionals, it should not be used as a substitute for legal counseling in specific situations. Readers should not act upon the information contained herein without professional guidance.

©2020 Tucker Ellis LLP. All rights reserved.