



TaxNewsFlash

United States



No. 2020-137
March 21, 2020

Notice 2020-18: Extension of time to file returns, make payments of federal income tax, response to coronavirus (COVID-19)

The IRS last evening released an advance copy of Notice 2020-18 to provide relief for certain taxpayers to file federal income tax returns and make payments of federal income tax.

Notice 2020-18 [PDF 67 KB] provides that under the president's March 13, 2020 "Emergency Declaration" relating to the coronavirus (COVID-19) pandemic, relief from federal income tax filing and payment deadlines is being provided to U.S. taxpayers who have been adversely affected by the COVID-19 emergency under the authority of section 7508A(a).

Notice 2020-18 restates and expands upon the relief provided in Notice 2020-17, and supersedes Notice 2020-17. Read *TaxNewsFlash* describing Notice 2020-17.

Notice 2020-18

Under Notice 2020-18, any person with a federal income tax payment or a federal income tax return due on April 15, 2020, is affected by the COVID-19 emergency for purposes of the tax relief provided in the notice and is an "Affected Taxpayer."

The notice explains that for an Affected Taxpayer, the due date for filing federal income tax returns and making federal income tax payments due April 15, 2020, is automatically postponed to July 15, 2020. Affected Taxpayers do not have to file Form 4868 or Form 7004 to apply for extensions to file their returns. There is no limitation on the amount of the payment that may be postponed.

The relief provided by Notice 2020-18 is available solely for federal income tax payments (including payments of tax on self-employment income) and federal income tax returns due on April 15, 2020, in respect of an Affected Taxpayer's 2019 tax year, and federal estimated income tax payments (including payments of tax on self-employment income) due on April 15, 2020, for an Affected Taxpayer's 2020 tax year.

Notice 2020-18 further provides that there is no extension provided by the notice for the payment or deposit of any other type of federal tax, or for the filing of any federal information return.

Guidance related to interest and penalties

As a result of the postponement of the due date for filing federal income tax returns and making federal income tax payments from April 15, 2020, to July 15, 2020, the period beginning on April 15, 2020 and ending on July 15, 2020 will be disregarded in the calculation of any interest, penalty, or addition to tax for failure to file the income tax returns or pay the federal income taxes postponed by the notice.

Interest, penalties, and additions to tax with respect to amounts of postponed federal income tax filings and payments will begin to accrue on July 16, 2020.

Notice 2020-18 supersedes Notice 2020-17.

The IRS also issued a release—[IR-2020-58](#) (March 20, 2020)—reflecting the guidance provided in Notice 2020-18.

The information contained in TaxNewsFlash is not intended to be "written advice concerning one or more Federal tax matters" subject to the requirements of section 10.37(a)(2) of Treasury Department Circular 230, as the content of this document is issued for general informational purposes only, is intended to enhance the reader's knowledge on the matters addressed therein, and is not intended to be applied to any specific reader's particular set of facts. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. Applicability of the information to specific situations should be determined through consultation with your tax adviser.

KPMG International is a Swiss cooperative that serves as a coordinating entity for a network of independent member firms. KPMG International provides no audit or other client services. Such services are provided solely by member firms in their respective geographic areas. KPMG International and its member firms are legally distinct and separate entities. They are not and nothing contained herein shall be construed to place these entities in the relationship of parents, subsidiaries, agents, partners, or joint venturers. No member firm has any authority (actual, apparent, implied or otherwise) to obligate or bind KPMG International or any member firm in any manner whatsoever.

Direct comments, including requests for subscriptions, to [Washington National Tax](#). For more information, contact KPMG's Federal Tax Legislative and Regulatory Services Group at + 1 202.533.4366, 1801 K Street NW, Washington, DC 20006-1301.

To unsubscribe from TaxNewsFlash-United States, reply to [Washington National Tax](#).

[Privacy](#) | [Legal](#)