

Larry's Tax Law

Treasury Delivers Some More Good News – Notice 2020-20

By Larry Brant on 3.27.20 | Posted in Federal Law, IRS, Tax Planning

On March 13, 2020, President Trump issued an emergency declaration that, in part, instructed the U.S. Department of the Treasury (“Treasury”) to provide taxpayers with “relief from tax deadlines” due to the impact of the Coronavirus.

Code Section 7508A gives Treasury authority to postpone the time to perform certain acts required under the Code for taxpayers affected by a federally declared disaster (as defined in Code Section 165(i)(5)(A)).

The Secretary of the Treasury determined that any person with a federal income tax return and income tax payment due on April 15, 2020 is affected by the COVID-19 emergency. Accordingly, as previously reported in our blog posts covering [Notice 2020-17](#) and [Notice 2020-18](#), Treasury postponed the due date for the filing of federal income tax returns and the payment of federal income taxes due on April 15, 2020 to July 15, 2020.

Treasury has expanded taxpayer relief with the announcement of Notice 2020-20.

NOTICE 2020-20

Treasury has determined that any person (as defined in section 7701(a)(1) of the Code) with a federal gift tax or generation-skipping transfer tax payment due or the requirement to file IRS Form 709 (United States Gift and Generation-Skipping Transfer Tax Return) on April 15, 2020, is also affected by the COVID-19 emergency.

1. The due date for filing IRS Form 709 (United States Gift and Generation-Skipping Transfer Tax Return) due on April 15, 2020 is postponed to July 15, 2020.
2. The due date for paying federal gift and generation skipping transfer tax due April 15, 2020 is postponed to July 15, 2020.
3. The postponement to July 15, 2020 is automatic. There is no requirement to file IRS Form 8892 (Application for Automatic Extension of Time to File Form 709 and/or Payment of Gift/Generation-Skipping Transfer Tax).
4. Obviously, Notice 2020-20 has no impact on any state or local gift tax or generation-skipping transfer tax payments or return filing obligations.

5. Interest, penalties and additions to tax on payments or return filings properly deferred under Notice 2020-20 will commence accruing on July 16, 2020.

CAVEAT: Notice 2020-20 does **not** address the filing of federal estate returns (IRS Form 706) or the payment of federal estate taxes.

Expect our summary of the tax provisions of the CARES Act soon!

Tags: Coronavirus, COVID-19, deadlines, deferral, emergency declaration, federal gift tax, generation-skipping transfer tax, IRS Form 709, Taxpayer, Treasury