

Internal Revenue Service Permits Taxpayers to Defer Certain April 15th Tax Payments

March 19, 2020

Yesterday, the Internal Revenue Service issued [Notice 2020-17](#), which grants a three-month extension for corporate and other taxpayers to make certain Federal income tax payments that would otherwise be due on April 15th.

The Notice permits corporations and other taxpayers to postpone making any Federal income tax payment otherwise due on April 15, 2020 (but apparently not any other date) until July 15, 2020. The aggregate amount of payments that can be deferred, however, is capped in the aggregate at:

- \$10 million for C corporations (including a consolidated group); and
- \$1 million for all other taxpayers, regardless of filing status.

The Notice specifies that the relief is available solely with respect to Federal income tax payments in respect of a taxpayer's 2019 taxable year and Federal estimated income tax payments for a taxpayer's 2020 taxable year (in each case including payments of tax on self-employment income). Interest or penalties on the deferred amounts will begin to accrue only on July 16, 2020 if the deferred amounts are not paid by that date.

The Notice does not apply to the payment or deposit of any other type of Federal tax, and does not extend the filing date for any tax return or information return. So, for example, an individual taxpayer is still required to file his or her personal income tax return by April 15, 2020 (or file for an extension).

If you have any questions regarding the matters covered in this publication, please contact any of the lawyers listed below or your usual Davis Polk contact.

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