



## COVID-19 Prompts Treasury to Delay April 15 Deadline For Payment of Taxes Owed

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Treasury Secretary Mnuchin has announced that his department is pushing back the April 15 tax deadline. Individuals and businesses will be granted a 90 day extension to pay taxes they owe. The 90 day extension for payment of owed tax does not delay the April 15 filing deadline unless a taxpayer has filed for an extension. In connection to this, individuals may defer up to \$1 million of tax liability and corporations will be granted an extension on up to \$10 million. The Secretary was quoted as saying "All you have to do is file your taxes," he said. "You'll automatically not get charged interest and penalties."

The payment extension is part of the Government's effort to minimize the economic effects of the coronavirus. Mnuchin said the delay will free \$300 billion of liquidity in the economy as individuals and businesses have more time to pay their taxes. The Trump administration is also reportedly considering delaying estimated quarterly tax payments that self-employed workers and businesses pay the IRS throughout the year.

*Please note: This alert contains general, condensed summaries of actual legal matters, statutes and opinions for information purposes. It is not meant to be and should not be construed as legal advice. Readers with particular needs on specific issues should retain the services of competent counsel.*

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