



GMS Flash Alert



2020-056 | March 12, 2020

United States - COVID-19 Emergency Has Treasury Considering Tax Return Filing Delay

Various reports in the press as well as informal statements from U.S. government officials have indicated that the U.S. Treasury Department is currently considering extending the income tax filing and payment deadline for the 2019 tax year in response to the novel coronavirus (COVID-19). While discussions are currently ongoing, no official guidance has been issued yet.

KPMG LLP (U.S.) is closely monitoring the situation and will issue another *GMS Flash Alert* if there are any updates or official announcements.

WHY THIS MATTERS

In general, individual taxpayers are required to file their income tax returns and pay any outstanding tax liability by the fifteenth day of the fourth month following the close of their taxable year, which is usually April 15th for calendar year taxpayers.¹ While taxpayers who timely file Form 4868 are allowed a six-month extension to file their income tax returns, the extension does not extend the time taxpayers have to pay the outstanding tax liability on their income tax returns.² As such, penalties and interest generally accrue on any outstanding tax liability that is not paid by the original filing deadline, which is usually April 15th.³

Extending the payment deadline would provide relief to taxpayers who are unable to pay their outstanding tax liability by April 15th.

FOOTNOTES:

1 I.R.C. § 6072(a); I.R.C. § 6072(c). The filing due date for nonresident aliens who do not earn wages subject to income tax withholding in the United States is June 15th.

2 Treas. Reg. § 1.6081-4(a); Treas. Reg. § 1.6081-4(b); Treas. Reg. § 1.6081-5(b); Treas. Reg. § 1.6161-1(d). U.S. citizens and residents who reside abroad on the original filing deadline are automatically granted a two-month extension to file their tax returns and pay the tax shown on their returns. However, interest still accrues on any tax that is not paid by the original filing deadline.

3 I.R.C. § 6651(a)(2).

* * * *

The above information 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.

The information contained in this newsletter was submitted by the KPMG International member firm in United States.

www.kpmg.com

kpmg.com/socialmedia



© 2020 KPMG LLP, a Delaware limited liability partnership and the U.S. member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved. Printed in the U.S.A. NDPPS 530159

The KPMG name and logo are registered trademarks or trademarks of KPMG International.

The KPMG logo and name are trademarks of KPMG International. 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 ventures. 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. The information contained in herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. 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. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

Flash Alert is a GMS publication of KPMG LLP's Washington National Tax practice. To view this publication or recent prior issues online, please click [here](#). To learn more about our GMS practice, please visit us on the Internet: click [here](#) or go to <http://www.kpmg.com>.