



GMS Flash Alert



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United States - Treasury, IRS Extend Federal Filing and Payment Deadline

On March 17, 2021, the United States Treasury Department and Internal Revenue Service (“IRS”) announced that the U.S. federal income tax filing due date for individuals for the 2020 tax year will be automatically extended from April 15, 2021, to May 17, 2021.¹

Additionally, individual taxpayers may postpone federal income tax payments for the 2020 tax year due on April 15, 2021, to May 17, 2021, without penalties and interest, regardless of the amount owed. This relief includes individuals who pay self-employment tax. Penalties, interest and additions to tax will begin to accrue on any remaining unpaid balances as of May 17, 2021. Individual taxpayers will automatically avoid interest and penalties on the taxes paid by May 17.

This relief does not apply to estimated tax payments that are due on April 15, 2021. These payments are still due on April 15.

WHY THIS MATTERS

The extended deadline provides relief to taxpayers who are unable to file or pay their outstanding tax liability by the April 15 deadline.

KPMG NOTE

The federal extension does not affect U.S. state and local tax return filing and payment deadlines. Some states have already announced extensions different than this federal extension.² Taxpayers should consult with their tax advisers or check with state tax authorities to confirm applicable state due dates. Also, this extension does not affect the June 15, 2021 deadline that the IRS announced for victims of the February winter storms in Texas, Oklahoma, and Louisiana.

FOOTNOTES:

1 IR-2021-59, <https://www.irs.gov/newsroom/tax-day-for-individuals-extended-to-may-17-treasury-irs-extend-filing-and-payment-deadline>.

2 Maryland Comptroller News Release, *Franchot Extends State Income Tax Filing Deadline to July 15*, https://www.marylandtaxes.gov/media/2021/Franchot_Extends_State_Income_Tax_Filing_Deadline_to_July_15.pdf.

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.

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