

The IRS recently released [answers to some commonly asked questions](#) about the tax relief provisions designed to help taxpayers and investors dealing with economic fallout from the COVID-19 pandemic.

The primary benefit of this relief is an extension of time to file and pay your taxes. Specifically, what would have been due on April 15, 2020, is now due on July 15, 2020.

Here are updated answers to the questions we've been tracking:

Question: Do I qualify for this relief?

Answer: Any individual, trust or business (incorporated or otherwise) is eligible for relief. If the return or payment is due on April 15, 2020, the new due date is July 15, 2020. If the return or payment is due on a date other than April 15, 2020, this relief doesn't apply.

Question: Is the \$1 million maximum the same for everyone?

Answer: No, income taxes owed by individuals, trusts, corporations and other non-corporate businesses that are due on April 15, 2020, regardless of the amount, are now due on July 15, 2020.

Question: I will not be able to file my 2019 income tax return by April 15, 2020. What do I need to do?

Answer: Simply put, nothing! Your new due date for payment and filing is July 15, 2020.

Question: What about my first quarter estimated federal tax payment, normally due on April 15, 2020? When do I pay that?

Answer: Because it is a payment due on April 15, 2020, it is now due on July 15, 2020.

Question: What if I am still unable to file my 2019 income tax return by July 15, 2020?

Answer: You can request an automatic extension of time to file your tax return, which would extend the final due date to October 15, 2020. To avoid any interest and penalties, you will need to pay any remaining tax that you estimate is due with the extension request filed by July 15, 2020.

Question: Does this mean that I can wait until July 15, 2020, to make my 2019 traditional IRA, Roth IRA and/or HSA contribution?

Answer: Yes. The deadline for making contributions to IRAs and HSAs is also extended to July 15, 2020.

Question: I own a business and have payroll taxes due in April. Does my business get relief?

Answer: No, normal filing and deposit due dates for payroll taxes continue to apply.

Question: My business owes the employer contribution for our company retirement plan. When is this due?

Answer: If payments would have been due on April 15, 2020, they are now due on July 15, 2020.

Question: I made gifts in 2019 in excess of \$15,000 per individual. Can I file my gift tax return on July 15, 2020?

Answer: No, normal filing and payment due dates apply to gift taxes. You can, however, request an extension of time to file a gift tax return by filing Form 8892. If you owe gift taxes, they must be paid by April 15, 2020.

Question: If I'm not mistaken, my second quarter 2020 estimated tax payment is due on June 15, 2020. Are you saying that, if I take advantage of this relief, I'm going to have to pay my second quarter 2020 estimated tax payment before I pay my first quarter 2020 estimated tax payment?

Answer: That's correct.

Question: What if I've already filed my taxes and have a payment scheduled to be automatically deducted from my account on or before April 15, 2020? Will this payment automatically be rescheduled to July 15, 2020?

Answer: No, the payment will not be automatically rescheduled to July 15, 2020. If you do nothing, the payment will be made on the date you chose. If you scheduled your payment as part of filing your tax return by authorizing an electronic funds withdrawal from your account, call IRS e-file Payment Services 24/7 at 1-888-353-4537 to cancel and reschedule your payment.

Question: I'm expecting a refund. Is there any reason for me to wait to file my tax return?

Answer: If you expect a refund, it is generally better to file your tax return as soon as possible. Nothing associated with this relief changes that equation.

It's important to note that this relief only applies to 2019 federal income tax liabilities. If you owe state taxes as well, be sure to check with your tax preparer to see if any additional relief is available at the state level.

This information could change quickly and without much or any notice if additional guidance becomes available, so we will continue to monitor it and keep you informed.



Toll-free (800) 929-5665
Phone (303) 430-0035
Fax (303) 430-0036
www.bloomwealth.com

info@bloomwealth.com

Bloom Financial, LLC
9737 Wadsworth Pkwy., Suite 200
Westminster, CO 80021

Investment advisory services offered through BLOOMFINANCIAL, LLC
a Registered Investment Advisor in the state of CO.
Insurance products and services are offered through Bloom Life, LLC,
BLOOMFINANCIAL and Bloom Life are affiliated companies.

© 2020 Bloom Financial. All rights reserved.

Disclosure: By clicking on any of the links above, you acknowledge that they are solely for your convenience, and do not necessarily imply any affiliations, sponsorships, endorsements or representations whatsoever by us regarding third-party websites. We are not responsible for the content, availability or privacy policies of these sites, and shall not be responsible or liable for any information, opinions, advice, products or services available on or through them.