

Extension of US Tax Filing Deadlines

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This morning the US Treasury Secretary, Steven Mnuchin [tweeted](#), that “*At @realDonaldTrump’s direction, we are moving Tax Day from April 15 to July 15. All taxpayers and businesses will have this additional time to file and make payments without interest or penalties.*”

Later, the IRS released [Notice 2020-18](#) which elaborates on Treasury Secretary Steven Mnuchin’s tweet. As expected, Notice 2020-18 restates and expands upon on the relief provided in Notice 2020-17 which allowed individuals and businesses to defer tax payments due April 15, 2020 until July 15, 2020 without interest and penalties. This is welcome news for Canadian businesses with US operations with a calendar year-end as the US corporate deadline for those companies is April 15, 2020. This is also helpful to US citizens who live in Canada, because although those individuals get an automatic extension of two months to file their US tax returns, they still had to pay their taxes by the April 15th deadline. Importantly, Notice 2020-18 does not include the postponement of the filing deadline of information forms (i.e., forms 3520, 5471, 8938) that US citizens living in Canada typically have to deal with. As such, for those US citizens living in Canada who do not expect to file their US tax returns by the normal June 15, 2020 deadline, we recommend filing an extension to avoid the stiff penalties for failing to timely file these forms.

Some states have also adjusted their tax filing and payment requirements in response to the pandemic. For example, California Governor Gavin Newsom announced that the filing deadline in his state is being pushed back 60 days and other states are also considering their own procedures. The situation is obviously very fluid and such moves by the US federal government and the states is unprecedented and should provide some relief to both Canadian businesses with US operations and US citizens living in Canada. The [AICPA](#) has prepared a chart summarizing the latest developments on state tax filings related to COVID-19.