

Part III - Administrative, Procedural, and Miscellaneous

Update to Notice 2020-18, Relief for Taxpayers Affected by Ongoing Coronavirus Disease 2019 Pandemic, Related to Gift and Generation-Skipping Transfer Tax Filing and Payment Deadlines

Notice 2020-20

I. PURPOSE

On March 13, 2020, the President of the United States issued an emergency declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act in response to the ongoing Coronavirus Disease 2019 (COVID-19) pandemic (Emergency Declaration). The Emergency Declaration instructed the Secretary of the Treasury “to provide relief from tax deadlines to Americans who have been adversely affected by the COVID-19 emergency, as appropriate, pursuant to 26 U.S.C. 7508A(a).” Pursuant to the Emergency Declaration, this notice provides relief under section 7508A(a) of the Internal Revenue Code (Code) for the persons described in section III of this notice that the Secretary of the Treasury has determined to be affected by the COVID-19 emergency. This notice amplifies Notice 2020-18.

II. BACKGROUND

Section 7508A of the Internal Revenue Code (Code) provides the Secretary of the Treasury or his delegate (Secretary) with authority to postpone the time for performing certain acts under the internal revenue laws for a taxpayer determined by

the Secretary to be affected by a Federally declared disaster as defined in section 165(i)(5)(A). Pursuant to section 7508A(a), a period of up to one year may be disregarded in determining whether the performance of certain acts is timely under the internal revenue laws.

On March 18, 2020, the Department of the Treasury (Treasury Department) and the Internal Revenue Service (IRS) issued Notice 2020-17, to be published in Internal Revenue Bulletin (IRB) 2020-15 on April 6, 2020, providing relief under section 7508A(a), which postponed the due date for certain Federal income tax payments from April 15, 2020 until July 15, 2020. On March 20, 2020, the Treasury Department and the IRS issued Notice 2020-18, to be published in IRB 2020-15, which superseded Notice 2020-17 and provided expanded relief, postponing the due date for both filing Federal income tax returns and making Federal income tax payments from April 15, 2020 until July 15, 2020. This notice amplifies the relief provided in Notice 2020-18.

III. GRANT OF RELIEF

The Secretary of the Treasury has determined that any person (as defined in section 7701(a)(1) of the Code) with a Federal gift tax or generation-skipping transfer tax payment due or the requirement to file Form 709 (United States Gift and Generation-Skipping Transfer Tax Return) on April 15, 2020, is also affected by the COVID-19 emergency for purposes of the relief described in this section III (Affected Taxpayer).

For an Affected Taxpayer, the due date for filing Forms 709 (United States Gift and Generation-Skipping Transfer Tax Return) and making payments of Federal gift

and generation-skipping transfer tax due April 15, 2020, is automatically postponed to July 15, 2020.

This relief is automatic; there is no requirement to file Form 8892 (Application for Automatic Extension of Time to File Form 709 and/or Payment of Gift/Generation-Skipping Transfer Tax) to obtain the benefit of this filing and payment postponement until July 15, 2020. However, an Affected Taxpayer may choose to file Form 8892 by July 15, 2020, to obtain an extension to file Form 709 by October 15, 2020 (any Federal gift and generation-skipping transfer tax payments postponed by this notice will still be due on July 15, 2020).

As a result of the postponement of the due date for filing Forms 709 and making Federal gift and generation-skipping transfer tax payments from April 15, 2020, to July 15, 2020, the period beginning on April 15, 2020, and ending on July 15, 2020, will be disregarded in the calculation of any interest, penalty, or addition to tax for failure to file a Form 709 or to pay Federal gift and generation-skipping transfer taxes shown on that Form and postponed by this notice. Interest, penalties, and additions to tax with respect to such postponed Forms 709 and payments will begin to accrue on July 16, 2020.

IV. EFFECT ON OTHER DOCUMENTS

Notice 2020-18 is amplified.

V. DRAFTING INFORMATION

The principal author of this notice is Jennifer Auchterlonie of the Office of Associate Chief Counsel, Procedure and Administration. For further information regarding this notice, you may call (202) 317-5436 (not a toll-free call).