

## Covid-19 and Your Income Taxes

There are some important income tax changes as they relate to your 2019 income tax returns and estimated tax payments normally due on April 15<sup>th</sup>.

I'm sure many of you have heard that the April 15<sup>th</sup> deadline has (for the most part) been extended to July 15<sup>th</sup>. Federal income tax payments normally due on April 15<sup>th</sup>, whether for 2019 or for 2020 estimated taxes have also been deferred to July 15<sup>th</sup>.

**If you haven't already done so, we still encourage you to send your 2019 income tax return information to us as soon as possible.** This will give us plenty of time to work on your tax returns and determine the effects of other changes Congress is likely to pass in the days and weeks ahead. And if you have a refund coming back, we want to get that moving along as soon as possible.

Our offices remain open for you to drop off your income tax information. And, of course, you can mail your information to us or contact us about how to send your information to us electronically and securely.

### Highlights of Changes

Here are some highlights concerning what we know about the extension of due dates to file tax returns and pay income taxes normally due April 15<sup>th</sup>. ***This information is accurate as of March 27<sup>th</sup> and could change if Congress, the IRS, the state of Wisconsin and/or the state of Minnesota decide to add additional types of taxes or change other due dates.***

With that in mind, here are some websites where you can find updated information about income tax due dates, Federal 2020 advance rebate checks and other Covid-19 tax related information:

Federal: <https://www.irs.gov/coronavirus>  
Wisconsin: <https://www.revenue.wi.gov/Pages/News/2020/wi-covid-19.aspx>  
Minnesota: <https://www.revenue.state.mn.us/our-response-covid-19>

Please check out these websites regularly as they will contain updated information as it becomes available.

### Federal Income Tax Returns, Payments and Contributions

1 - Any income tax return normally due on April 15<sup>th</sup> is now due on July 15<sup>th</sup>. This includes the following tax return types:

- Form 1040 Individual Income Tax Return (any version)
- Form 1041 Estate and Trust Income Tax Return
- Form 1120 Corporation Income Tax Return

No form needs to be filed to take advantage of the new due date; the new due date applies automatically.

2 - Any income tax payment normally due on April 15<sup>th</sup> is now due on July 15<sup>th</sup>. This includes the following:

- 2019 balance due for any of the returns listed above
- First quarter 2020 estimated income tax payments

3 – The due date for making an Individual Retirement Account (IRA) contribution for 2019 has been extended to July 15<sup>th</sup>. This should apply to any state income tax return affected by this contribution.

4 – The due date for making a Health Savings Account (H.S.A) contribution for 2019 has been extended to July 15<sup>th</sup>. This should apply to any state income tax return affected by this contribution.

5 – Second quarter 2020 estimated income tax payments are still due June 15<sup>th</sup>. This could change.

6 – The extension of time to file from April 15<sup>th</sup> to July 15<sup>th</sup> does **not** apply to the filing of 2019 gift tax returns (Form 709) or paying gift taxes owed for 2019. Those returns and taxes owed are still due April 15<sup>th</sup>.

Please refer to the IRS Questions and Answers page (below), set up especially for communicating information regarding these changes. The IRS has been very good about updating the page as new information becomes available:

<https://www.irs.gov/newsroom/filing-and-payment-deadlines-questions-and-answers>

### **Wisconsin Income Tax Returns and Payments**

1 - Wisconsin has generally decided to follow the same path as the Federal government in providing for extensions of time to file income tax forms normally due April 15<sup>th</sup> and pay income taxes normally due April 15<sup>th</sup>.

The same Federal income tax forms and taxes noted above under #1 & #2 are also extended to July 15<sup>th</sup> for Wisconsin purposes.

2 – Contributions to a Wisconsin college savings account must still be made by April 15, 2020 to qualify for the 2019 Wisconsin income tax return subtraction.

3 - Second quarter 2020 estimated Wisconsin income tax payments are still due June 15<sup>th</sup>. This could change.

Here is a link to a pdf file on the Wisconsin Department of Revenue website which gives a very good explanation of the new rules:

<https://www.revenue.wi.gov/Pages/TaxPro/2020/TaxDeadlinesExtendedCOVID.pdf>

## **Minnesota Income Tax Returns and Payments**

For those of you who file Minnesota income tax returns, the picture is less clear. However, this may change.

1 – Minnesota has extended the due date to file the 2019 Minnesota individual income tax returns normally due April 15<sup>th</sup> and pay 2019 Minnesota individual income tax normally due April 15<sup>th</sup>. Those returns and payments are now due July 15<sup>th</sup>.

2 – Minnesota did NOT extend the due date for first quarter 2020 individual Minnesota estimated income tax payments. The payment due date is still April 15<sup>th</sup>.

3 – Minnesota did NOT extend the due date to file any other income tax returns normally due April 15<sup>th</sup> or to pay other entity income taxes normally due April 15<sup>th</sup>. This means the following returns due April 15<sup>th</sup> are still due April 15<sup>th</sup>:

- Minnesota Corporation Income Tax Returns
- Minnesota Estate and Trust Income Tax Returns

Any Minnesota taxes normally due April 15<sup>th</sup> for these entities (either for 2019 or 2020) are still due April 15<sup>th</sup>. Any Minnesota estimated taxes due on April 15<sup>th</sup> for 2020 for partnerships and S corporations are still due April 15<sup>th</sup>.

Please check out the website below for more up to date information about Minnesota taxes (as information becomes available):

<https://www.revenue.state.mn.us/our-response-covid-19>