

This Month:

- Covid-19 Statement to Our Clients
- 2nd Quarter 2020 Due Dates

Covid-19 Statement to Our Clients

In these unprecedented times, most, if not all, Americans are feeling the impacts of the coronavirus (COVID-19) pandemic. Thousands are sick, a large number have died, millions of jobs are being lost amid quarantine orders and small businesses are facing exceptional challenges to keep their doors open. The federal government is committed to helping individuals and businesses during these uncertain times. In addition to pushing back the April 15th tax deadline to July 15th, the government plans to issue stimulus checks to most taxpayers, increase unemployment and authorize lenders to issue SBA loans with simpler application processes, which in certain circumstances may not have to be repaid. Many states have also extended filing deadlines and loosened eligibility requirements for unemployment benefits. As information from media outlets and federal & state governments roll out in record speeds, we know you have many questions from a business and personal standpoint, for example:

- How do I know if I'm getting a stimulus check?
- Is it possible to take distributions from my retirement account to pay my monthly expenses without incurring penalties?
- As a self-employed individual, is it possible to apply for unemployment benefits?
- Am I required to pay my employees if they're at home with their kids while schools are closed?
- What if I can't afford to pay my employees sick or family leave?
- Is it better to lay off my workers or put them on temporary leave?
- Is a self-employed individual eligible for sick leave or family leave pay?
- How do the employer credits work if I pay sick or family leave to my employees?
- What are the qualifications for getting an SBA loan to keep my business afloat?
- What type of SBA loan may not require repayment?

Right now, your highest priority is your health and the health of those you love. We are diligently reading and researching new legislation, proposed and passed, to understand its impact on you. Our main objective is to support you and your business and to navigate this complicated and everchanging environment together. Please contact us and let us help you walk through the details of the newly enacted federal tax legislation and allow us to be the trusted advisors you hired us to be.

2nd Quarter 2020 Due Dates

Please note: These due dates are current as of March 31, 2020. Please advise with your Padgett tax professional for the most up-to-date information.

In response to the ongoing Coronavirus Disease (COVID-19) pandemic, the Department of the Treasury and the IRS have automatically postponed the following April 15th filing and payment deadlines to July 15th, 2020.

July 15:

- *Individuals:*
 - 2019 Form 1040 due with payment. This is an automatic extension of time to file and pay, so taxpayers are not required to file Form 4868 to obtain this relief and will have this additional time to file and make payments without interest or penalties. File Form 4868 to extend your return to October 15th if you are unable to file by July 15th.
 - 2019 Form 709, *US Gift Tax Return*, due if more than \$15,000 was gifted to an individual besides a spouse or charity in 2019. In addition, associated interest, additions to tax and penalties for late filing or late payment will be suspended until July 15th.
 - 2019 FinCEN Form 114, *Report of Foreign Bank and Financial Accounts (FBAR)*, due. An automatic 3-month extension is granted for individuals unable to file by July 15th.
 - First installment of 2020 estimated tax due.
 - Last day to contribute to an IRA and ESA for 2019.
- *Calendar-Year End C Corporations:*
 - First installment of 2020 estimated tax due.
 - 2019 Form 1120 due with payment. This is an automatic extension of time to file and pay, so businesses are not required to file Form 7004 to obtain this relief and will have this additional time to file and make payments without interest or penalties.

The following filing and payment deadlines have not been postponed due to the COVID-19 pandemic, so the normal due dates continue to apply.

April 30:

- *Employers:* File Form 941 for 1st quarter 2020; however, 1st quarter tax payments have been extended to July 15th.

May 15:

- *Partnerships & S Corporations:* File Form 8752 if on fiscal year under Section 444 election.

June 15:

- *Individuals:*
 - 2nd installment of 2020 estimated tax due.
 - 2019 Form 1040 due for U.S. citizens or resident aliens living/working (or active duty military) outside the U.S. or Puerto Rico or file Form 4868 for an additional 4-month automatic extension.
- *Calendar-Year End C Corporations:* Second installment of 2020 estimated tax due.

© 2020 Padgett Business Services

PADGETT BUSINESS SERVICES® is dedicated to meeting the compliance, profit & financial government reporting and payroll needs of businesses with fewer than 20 employees in the retail and service sector of the economy. This publication suggests general business concepts that may be appropriate in certain situations. It is designed to provide complete and accurate information to the reader. However, because of the complexities of the tax law and the necessity of determining whether the material discussed herein is appropriate to your business, it is important you seek advice from your Padgett office before implementing any of the concepts suggested in this newsletter. **AMERICA'S FIRM FOR SMALL BUSINESS TAX NEEDS®**