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THE TAX LAWYER

TAXES 03/17/21

## IRS Extends Tax Return Due Date From April 15 To May 17

It is now official, the Treasury Department and Internal Revenue Service have announced that [Tax Day for individuals is extended to May 17](#). You don't have to request the extension, it is automatic, and it applies not only to filing your tax return, but tax payments too. The IRS will be providing formal guidance in the coming days. Individual taxpayers can also postpone federal income tax payments for the 2020 tax year due on April 15, 2021, to May 17, 2021, without penalties and interest, regardless of the amount owed. This postponement applies to individual taxpayers, including individuals who pay self-employment tax. Penalties, interest and additions to tax will begin to accrue on any remaining unpaid balances as of May 17, 2021. Individual taxpayers will automatically avoid interest and penalties on the taxes paid by May 17.

“This continues to be a tough time for many people, and the IRS wants to continue to do everything possible to help taxpayers navigate the unusual circumstances related to the pandemic, while also working on important tax administration responsibilities,” said IRS Commissioner Chuck Rettig. “Even with the new deadline, we urge taxpayers to consider filing as soon as possible,

especially those who are owed refunds. Filing electronically with direct deposit is the quickest way to get refunds, and it can help some taxpayers more quickly receive any remaining stimulus payments they may be entitled to.”



Individual taxpayers who need additional time to file beyond the May 17 deadline can request a filing extension until Oct. 15 by filing Form [4868](#) through their tax professional, tax software or using the [Free File](#) link on IRS.gov. Filing Form 4868 gives taxpayers until Oct. 15 to file their 2020 tax return but does not grant an extension of time to pay taxes due. Taxpayers should pay their federal income tax due by May 17, 2021, to avoid interest and penalties.

This relief does not apply to estimated tax payments that are due on April 15, 2021. These payments are still due on April 15. Taxes must be paid as taxpayers earn or receive income during the year, either through withholding

or estimated tax payments. In general, estimated tax payments are made quarterly to the IRS by people whose income isn't subject to income tax withholding, including self-employment income, interest, dividends, alimony or rental income. Most taxpayers automatically have their taxes withheld from their paychecks and submitted to the IRS by their employer.

Of course, many people won't be ready by May 17 either, but you can now make the decision later whether to file on time (by May 17) or to extend until October. Apart from the pandemic, there are some new law changes and many other reasons that have caused this tax filing season—like last year—to be difficult. And tax returns, it bears stressing, are important. Even if you do not prepare your own, you should read and understand the return to the best of your ability. After all, you must also sign it under penalties of perjury. You should review it before signing, and alert the return preparer to any mistakes you discover.

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