

Department of Treasury & IRS Providing an Automatic Extension for Tax Payments (Not Filing Returns) Tax Implications for Farmers

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- The Treasury Department and the Internal Revenue Service are providing special **payment** relief to individuals and businesses in response to the COVID-19 Outbreak.
- Income tax **payment deadlines** for individual returns, with a due date of April 15, 2020, are being automatically extended until July 15, 2020, for up to \$1 million of their 2019 tax due.
- The tax **filing deadline** is still April 15th. (The filing deadline was March 2 for farmers that didn't pay estimated taxes by January 15th.)
- Farmers that's did pay estimated taxes by January 15th have the April 15th deadline like other taxpayers. This may affect farms that paid estimated taxes by January 15th and will have a balance due when they file by the April 15th deadline.
- This payment relief applies to all individual returns, including self-employed individuals, and all entities other than C-Corporations, such as trusts or estates. IRS will automatically provide this relief to taxpayers. Taxpayers do not need to file any additional forms or call the IRS to qualify for this relief. For C Corporations, income tax payment deadlines are being automatically extended until July 15, 2020, for up to \$10 million of their 2019 tax due.
- As of today, there is no comparable extension for Ohio income taxes due.
- The IRS this week advised that high-deductible health plans (HDHPs) can be used to pay for 2019 Novel Coronavirus (COVID-19)-related testing and treatment, without jeopardizing their status. This also means that an individual with an HDHP that covers these costs may continue to contribute to a health savings account (HSA).

- As stated in Notice 2020-15, health plans that otherwise qualify as HDHPs will not lose that status merely because they cover the cost of testing or treatment of COVID-19 before plan deductibles have been met. As in the past, any vaccination costs continue to count as preventive care and can be paid for by an HDHP (IRS e-News for Tax Professionals).
- More details can be found at: <https://www.irs.gov/newsroom/irs-high-deductible-health-plans-can-cover-coronavirus-costs>