

Tax Deadlines Extended, State and Local

Last week, the IRS provided an automatic [extension](#) of the deadline from April 15 to Monday, May 17 to file and pay the tax due for 2020 individual income tax returns. This provides some much-needed breathing room in a year with significant postal delays and other issues. Since then we have been monitoring the states' responses to this federal extension (i.e. which states/ localities will also provide additional time.)

One by one over the past week, neighboring/common states and localities have generally provided a similar extension for 2020 individual income tax returns:

- [Pennsylvania](#) – following IRS automatic extension
- [New Jersey](#) – following IRS automatic extension
- [New York](#) – following IRS automatic extension
- [Maryland](#) – automatic extension to July 15 for all individual, pass-through, fiduciary, and corporate income tax returns that would otherwise be due between January 1 and July 15. This automatic extension to July 15 also includes Q1 and Q2 2021 estimated payments that would normally be due April 15 and June 15.
- [Delaware](#) – following IRS automatic extension. Composite returns are also now due May 17. Q1 Delaware estimated payments are normally due April 30. The due date for these has not been extended.
- [California](#) – following IRS automatic extension
- [Philadelphia](#) – automatic extension to May 17 to file and pay Business Income and Receipts Tax (BIRT), Net Profits Tax (NPT), Earnings Tax, and School Income Tax (SIT.)
- [Pennsylvania local](#) – Berkheimer's website indicates that they are awaiting guidance from the Governor's office on the extension of the local filing date; however, they will not be charging late fees until after May 17.

As of now - the following returns are still due April 15:

- Trust tax returns (Form 1041)
- C corporation tax returns (Form 1120)

- Gift tax returns (Form 709), which are normally covered by the individual income tax return extension, will now require a separate extension
- Estate tax returns (Form 706)
- Q1 2021 estimated payments (but see workaround below, for May 17 extension)
- Certain state returns

Workaround for Q1 2021 estimated payments – pay on an extension voucher by May 17

By rule, so long as you make your extension payment by the due date (May 17 this year), any overpayment is treated as paid on the original due date of the tax return (i.e. as a first quarter estimated payment) by the IRS; so unless they change that rule, a workaround would be to pay in the Q1 estimated payment on an extension voucher by May 17th.

So what does this mean?

- If you've already sent us your tax information, thank you! Unless you are filing in a state that hasn't moved their deadline (most of them are following federal and have moved their deadline), there is plenty of time to the new May 17 deadline.
- If you haven't sent us your information yet, please send it to us as soon as you can.

As always, please reach out to us if you have any questions.

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