



High Net Worth Families



ALERT

MARCH 2020

Federal Gift Tax Filing Deadline Extended; Income Tax Deadlines Extended in CT, IL, MD, NY and DC (But Not NJ)

In response to the COVID-19 emergency, the federal government has extended the deadline for 2019 gift tax returns and payments, consistent with the recent extension of the income tax filing and payment deadline for individuals. The deadline for filing Form 709 and for the payment of gift or generation-skipping transfer taxes is now July 15, without the requirement to file Form 8892 (Application for Automatic Extension of Time to File Form 709 and/or Payment of Gift/Generation Skipping Transfer Tax). No interest, penalty or addition to tax for failure to file a Form 709 will accrue for the period from April 15 to July 15. Taxpayers who file Form 4868 on or before July 15 to extend the time to file an income tax return will also automatically receive an extension of time to file a gift tax return until Oct. 15.

Deadlines for filing federal estate tax returns and paying federal estate taxes have not been extended.

While some states have adopted emergency measures to dovetail with the federal extension, others (like New Jersey) have not. Here is updated tax deadline information (as of March 27) for Connecticut, Illinois, Maryland, New Jersey, New York and the District of Columbia, according to the American Institute of Certified Public Accountants.

Connecticut

The state of Connecticut has extended both the filing and payment deadlines for personal income taxes by 90 days, to July 15. The extension also applies to Connecticut estimated income tax payments for the first and second quarters of 2020.

The filing deadlines for certain business tax returns due on or after March 15 and before June 1 have been extended at least 30 days, with the payment deadlines connected with those returns also being extended. The tax returns affected are:

- Connecticut Pass-Through Entity Tax Return (2019 Form CT-1065/CT-1120 SI) filing date is extended to April 15 and payment deadline to June 15.
- Connecticut Unrelated Business Income Tax Return (2019 Form CT-990T) filing date is extended to June 15 and payment deadline to June 15.
- Connecticut Corporation Business Return (2019 Form CT-1120 and CT-1120CU) filing date is extended to June 15 and payment deadline to June 15.

This publication may constitute "Attorney Advertising" under the New York Rules of Professional Conduct and under the law of other jurisdictions.

The Connecticut Department of Revenue Services (DRS) has suspended walk-in services to the public at its branch offices. Taxpayers are encouraged to visit the [DRS online Taxpayer Service Center](#) for information and updates and to file tax returns electronically.

Illinois

Illinois has joined the growing list of states that are implementing extensions to file and pay income taxes for 2019. Individuals, corporations and trusts that pay their Illinois income taxes on April 15 are automatically granted an extension until July 15. Penalties and interest will begin to accrue, on only unpaid balances, on July 16, and the state is encouraging taxpayers to pay taxes owed in full on or before July 15. The state is also encouraging taxpayers expecting refunds to file as soon as possible, preferably electronically and specifying direct deposit into a checking or savings account.

The extension does not apply to estimated payments for 2020 taxes that are due April 15 and June 15.

Illinois has also granted a 30-day extension for estates with estate tax returns and payments due between March 16 and April 15, but the extension for filing and payment does not waive or abate statutory interest. Illinois estate tax payments must now be sent to the Illinois State Treasurer using a form available on the Illinois State Treasurer's website. The state is strongly encouraging estates to file returns and extension requests by mail.

Maryland

The state of Maryland has extended both the filing and payment deadlines for personal income taxes by 90 days, from April 15 to July 15. The filing and payment deadlines for Maryland corporate, pass-through entity and fiduciary taxpayers have also been extended by 90 days, to July 15.

The extension does not affect the filing of estate tax returns or the payment of estate taxes.

The state is also suspending the Comptroller's Office collection efforts until 30 days after the lifting of the state of emergency by the governor. The Comptroller's Office will not send out lien warning notices, issue liens, attach bank accounts, hold up the renewal of any license (including Maryland driver's licenses) or offset vendor payments for Maryland taxes during this period.

Taxpayers are encouraged to visit the [Comptroller's website](#) for information and updates, and to file tax returns electronically.

New Jersey

A bill is reportedly being considered that would extend the time to file income tax or corporate business tax returns based on the federal government's extension of filing or payment dates, but as of March 27, the state has made no decision on filing and payment date extensions.

All walk-in services at Division of Taxation regional and Trenton offices will be closed to the public through at least March 31, but call centers and email servicing remain operational.

Taxpayers are encouraged to visit the [New Jersey Division of Taxation's](#) website for information and updates, and to file tax returns electronically.

New York

New York has extended the state's income tax filing and payment deadlines, consistent with the IRS extension, and will waive penalties and interest for tax returns filed and payments made by July 15.

[The Department of Taxation and Finance website](#) notes that refunds for returns that have already been filed should not be delayed, and that the call center remains open, although taxpayers may experience

delays. Taxpayers are encouraged to use online or automated resources.

District of Columbia

The District of Columbia has extended both the filing and payment deadlines for personal income taxes by 90 days, from April 15 to July 15. The deadlines for filing and paying fiduciary income taxes, partnership taxes and franchise taxes have also been extended to July 15.

While the Office of Tax and Revenue (OTR) is open Monday through Friday, 8:15 a.m. to 5:30 p.m., as of March 27, taxpayers are encouraged to visit the [OTR's website](#) for information and updates and to file tax returns electronically.

For more information on the business impacts of COVID-19, we encourage you to visit our [COVID-19 Resource Center](#), which we will continue to update as the situation evolves. If you have questions about COVID-19's impact on your business, please reach out to your Loeb relationship partner, or email us directly at COVID19@loeb.com.

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