



# Coronavirus Prompts Tax Payment Deadline Extension

**UPDATE:** [Treasury Extends Tax Filing Deadline in Face of Coronavirus Outbreak](#)

In an unprecedented announcement, Treasury Secretary Steve Mnuchin says [the IRS will allow taxpayers 90 days beyond April 15](#) to pay their taxes. The new deadline will be July 15. Although taxpayers have always had the opportunity to extend their deadline by six months to file tax returns, taxpayers have never had the opportunity to extend the tax payment date. This payment extension is not only for lower-income individuals, it applies to up to \$1 million of tax for individuals and \$10 million of tax for corporations.

"All you have to do is file your taxes," [Mnuchin is quoted as saying in the Los Angeles Times](#). "You'll automatically not get charged interest and penalties."

As Treasury Secretary, Mnuchin has the authority to issue the order without either Congressional approval or an "okay" from the President. He believes delaying tax payments without penalty could pump as much as \$300 billion into the American economy, which has been hit hard by the coronavirus pandemic. As of March 6, nearly 45 percent, or 68 million, of all expected returns had been filed.

We will continue to monitor this issue as the situation evolves.

If you have any questions about how this new rule affects your business, please call your Reinhart attorney.

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