



Coronavirus Impacts: FAQs Regarding IRS Relief and Filing Deadlines

I am in the middle of a 1031 like-kind exchange, and now the town in which I am buying the replacement property has shut down. I'm not going to make the 180-day deadline. What do I do?

In response to NAR requests, the Treasury Department and IRS extended the deadlines for completing 1031 like-kind exchange transactions. If the 180-day deadline for closing on your replacement property falls between April 1 and July 14, 2020, you now have until July 15 to complete the purchase.

I am in the middle of a 1031 like-kind exchange, and I am not able to investigate possible replacement properties in time to meet the 45-day deadline because the owners do not want potential buyers on the premises. What do I do?

In response to NAR requests, the Treasury Department and the IRS extended the deadlines for completing 1031 like-kind exchange transactions. If the 45-day deadline for identifying possible replacement properties falls between April 1 and July 14, 2020, you now have until July 15 to complete the purchase.

I sold a capital asset and plan to roll over the gain into an opportunity fund so I can take advantage of the new opportunity zone tax incentives. However, I did not meet the 180-day deadline for making the investment due to the coronavirus crisis. What can I do?

NAR has been asking the Treasury Department and the IRS to extend certain deadlines relating to the opportunity zone program to reflect the difficulties that investors are having with meeting the requirements on time. The IRS responded with a new notice on April 9 that relaxes the 180-day rule. If your 180-day deadline falls between April 1 and July 14, you are now allowed to make your investment into the opportunity fund by July 15, 2020, and have it count as being made within 180 days of when you sold your capital asset.

I am an independent contractor who makes estimated tax payments on a quarterly basis. I understand the IRS has extended the first quarter estimated payment until July 15, but I am worried about the second quarter payment that is still due on June 15. Why didn't the IRS also extend that due date? It seems bizarre that the second quarterly payment would be due before the first one. Can this be changed?

The IRS released a notice on April 9 that extended the deadline the second quarterly estimated tax payment to July 15, 2020. Thus, both the first and second quarterly estimated tax payments are due on July 15.

Learn more on the “IRS extends more tax deadlines to cover individuals, trusts, estates corporations and others” webpage here: <https://www.irs.gov/newsroom/irs-extends-more-tax-deadlines-to-cover-individuals-trusts-estates-corporations-and-others>.