

IRS Extends Certain Contribution Deadlines

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On March 24, 2020, the IRS released questions and answers (Q&As) relating to the extension of the 2019 tax filing deadline originally described in Notice 2020-18 (Notice). In addition to clarifying certain issues described in the original Notice, the Q&As describe the impact of the extension on certain types of tax favored accounts. The Q&As appear to indicate the IRS's intent to consistently apply the extension set forth in the Notice to tax requirements which explicitly refer to the deadline for filing a tax return, but not necessarily to other requirements which have a deadline of April 15, 2020.

The IRS states that individuals may take advantage of the extended filing deadline for purposes of making additional contributions towards the 2019 limitation for individual retirement accounts (IRAs), Health Savings Accounts (HSAs), and Archer Medical Savings Accounts (MSAs). Note that the applicable dollar limitations for 2019 will still apply. The relief solely allows for additional time to make the contributions.

Additionally, the Q&As provide that employers who file on a calendar year basis may also use the extension for determining the date by which 2019 contributions must be made to certain qualified plans. Note that this extension would not apply to employee deferral contributions, which remain subject to ERISA's stricter requirements. The Q&As are silent on any extension for fiscal year employers whose normal tax filing deadline would fall after April 15, 2020.

The Q&As specifically note that the Notice does not provide for an extension on the deadline for a 401(k) plan to refund excess elective deferrals made in 2019, which remains April 15, 2020.

If you have questions or would like additional information, please contact Stephen Bowers (bowers@whiteandwilliams.com; 215.864.6247) or another member of the Tax and Estates Group.

As we continue to monitor the novel coronavirus (COVID-19), White and Williams lawyers are working collaboratively to stay current on developments and counsel clients through the various legal and business issues that may arise across a variety of sectors. Read all of the updates [here](#).

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