• Stimulus checks
  o TurboTax has developed an online portal to register but the IRS clarified on 4-7-20 that it is not the same as the portal they are developing.
    ▪ It generates a $1 return and efiles
      ▪ This is still useful to our clients who don’t need to file
• IRS operations
  o Everything is closed
    ▪ IRS has closed all Taxpayer Assistance centers and walk-in locations. The IRS continues to process returns and refunds on a reduced basis from the campuses that are open
    ▪ Live phone assistance has been discontinued
    ▪ PPS/CAF units are closed (means the LITC cannot talk to the IRS to resolve ongoing issues and cannot submit new PoAs
    ▪ Tax Court has cancelled all dockets through June 2020 and the Clerk is not processing new petitions
  o Tax day is moved, and so are lots of other things, per the People First Initiative
    ▪ Deadline to file and pay taxes is now July 15\textsuperscript{th} [IR-2020-58](https://www.irs.gov/newsroom/irs-operations-during-covid-19-mission-critical-functions-continue), Tax Day now July 15
    ▪ Installment agreements
      ▪ New ones can continue to be submitted through IRS.gov; no guidance on how long they will take to process
      ▪ Existing ones - payments due between April 1-July 15\textsuperscript{th} are suspended, no interest
    ▪ Offers in Compromise
      ▪ Pending - Taxpayers have until July 15\textsuperscript{th} to submit additional info
      ▪ Payments - payments can be suspended until July 15\textsuperscript{th} but interest still accrues
      ▪ Delinquent returns - won’t kill an OIC but past due returns need to be submitted by July 15\textsuperscript{th}
      ▪ New OICS - send them in, no guidance on when it will be processed
    ▪ Collections
      ▪ Automated levies are suspended until July 15\textsuperscript{th}
• No new field collection levies or liens until July 15\textsuperscript{th}
• No referrals of debt to private collection agencies
• No new audits of any kind (field, correspondence, in person)
• No referrals to private debt collectors
  • EIC prove-up
    • Regardless of original deadline, people who are facing an EIC audit will have until July 15\textsuperscript{th} to submit requested documentation
  • Offset Bypass Program
    • Generally you cannot prevent the IRS from taking a refund if you owe previous year’s debts
    • Can request that the refund be issued if the taxpayer is having a hardship-inability to pay basic living expenses and will need documentation
      • This can be waived under certain circumstances
      • Any unit at IRS can initiate but only TAS can set up a direct deposit
        • Bank must belong to the taxpayer asking for the refund
  • Statute of Limitations
    • Still running both ways
    • Guidance will be issued regarding NoDs since Tax Court is closed
• Legislation- Families First Act
  • Small and midsize employer tax relief
  • Small businesses are now required to give paid sick/family leave to employees
  • IRS is paying for it by offering refundable payroll taxes to them
    • Guidance has been issued
  • Employer can use its share of FICA taxes to pay for the leave instead of paying it over to the government
    • Penalty relief will be available since this is usually very against the rules use the trust fund taxes to pay for the leave
  • New Form 7200
    • Advance to certain employers if they have no withhold income tax or FICA taxes
      • They can get an advance and reconcile with their quarterly return.
      • Form can be faxed in; the number is on the instructions
• Legislation - CARES Act
  • Economic recovery focused

This information is accurate as of 4/7/20. Due to changing circumstances, this information may be superseded by current events, new laws and regulations, disaster declarations and extensions, court orders and administrative agency decisions. While we will make every effort to update this information when possible, the user should always check for updates and be guided accordingly.
- SBA loans option- available for up to $10 million for small/med businesses (defined as up to 500 employees)
  - Loan forgiveness for some aspect employees
    - Eight weeks of 2.2x payroll, rent, utility, mortgage and as long as you keep them your employees employed, loans are fully forgivable
      o Check employer retention FAQs
      o Allows up to $100k per employee as salary- includes all fringe amounts
      o For companies that have laid people off, they can hire them back and get your headcount up and still qualify
      o You have to spend the loan proceeds on the proper items or it won’t be forgivable
  - Employee Retention Credit
    o Refundable credit for 50% of wage from March 13th to the end of 2020
      ▪ Small employers can be open to qualify, large has to be closed
      ▪ Based on business receipts from last year
    o Interfaces with Families First
      ▪ If you get the credit for sick leave, you can’t also get the retention credit
      ▪ Up to $10k of wages per employee
    o Applies to employers who have had to close because of a government shut-down order or significant decline of gross receipts from previous quarter
      ▪ Government shutdown orders vary by locale- unsure what a shutdown order really means
  - Loan forgiveness is not taxable income
- Payroll tax option
  - Payroll tax deferred until the end of 2021 regardless of the size of employer (called payroll protection program/PPP)
  - Sec 2302, deferral of payroll taxes is employer FICA only, not the part withheld from employee
    o Large businesses are also eligible for different loans that are not forgivable and have their own rules on employee retention, paying dividends, stock buy backs, etc.
- Changes to NoLs
  - Suspends the 80% limit to taking NoLs

This information is accurate as of 4/7/20. Due to changing circumstances, this information may be superseded by current events, new laws and regulations, disaster declarations and extensions, court orders and administrative agency decisions. While we will make every effort to update this information when possible, the user should always check for updates and be guided accordingly.
• Can carryback losses and get immediate refunds

• Economic impact payments
  o Refundable credit paid in cash. This is an advance credit from your 2020 taxes and will require that you reconcile next year
    ▪ If you get too little, you will get the rest after filing your 2020 return
    ▪ If you get too much, you have an overpayment but it will likely be forgivable
  o Amounts
    ▪ Single adult - $1200 but starts to phase out at $75k AGI
    ▪ Married filing joint- $2400 but starts to phase out at $150k AGI
    ▪ Dependent children- $500 each
  o Requires a SSN valid for employment
  o Can’t be a dependent of someone else Will first look at 2019 return
  o Information used will be from 2019 tax year
    ▪ If 2019 not filed, then 2018 will be used
  o Direct deposit info on tax returns will be utilized
    ▪ mid-April for the first checks
    ▪ If they do not have direct deposit info on the last tax return, but they want it direct deposited, they can provide that info to the IRS via special portal
  o IRS will use SSA info without requiring seniors to provide additional info
  o Most people will not need to do anything
    ▪ And if they do, IRS states it will be done in the least burdensome way
  o Q- is there a way to provide info re: a change in circumstances/filing status/DV that would qualify a person for the credit?
    ▪ If there needs to be a prove-up, it will be in 2020 and if they got less they will get more money then
    ▪ Web app is not set up for that

• Unemployment benefits
  o Additional 39 weeks of UI provided
  o Retirement early withdrawal penalties waived for amounts up to $10k
    ▪ Can also be repaid without penalty as well

• Student loan relief
  o Interest is suspended and certain employer sponsored programs will be excluded from income

• Charitable deductions - limit removed so you can donate up to your AGI in 2020