Part III - Administrative, Procedural, and Miscellaneous

RELIEF FOR FORM 1040 FILERS AFFECTED BY ONGOING CORONAVIRUS DISEASE 2019 PANDEMIC

Notice 2021-21

I. PURPOSE

On March 13, 2020, the President of the United States issued an emergency declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act in response to the ongoing Coronavirus Disease 2019 (COVID-19) pandemic (Emergency Declaration). The Emergency Declaration instructed the Secretary of the Treasury "to provide relief from tax deadlines to Americans who have been adversely affected by the COVID-19 emergency, as appropriate, pursuant to 26 U.S.C. 7508A(a)." Pursuant to the Emergency Declaration, this notice provides relief under section 7508A of the Internal Revenue Code (Code) for the persons described in section III.A of this notice that the Secretary of the Treasury has determined to be affected by the COVID-19 emergency.

II. BACKGROUND

Section 7508A provides the Secretary of the Treasury or her delegate (Secretary) with authority to postpone the time for performing certain acts under the internal revenue laws for a taxpayer determined by the Secretary to be affected by a Federally declared disaster as defined in section 165(i)(5)(A) of the Code. Pursuant to

section 7508A(a), a period of up to one year may be disregarded in determining whether the performance of certain acts is timely under the internal revenue laws.

III. GRANT OF RELIEF

A. Taxpayers Affected by COVID-19 Emergency

The Secretary has determined that any person with a Federal income tax return filed on Form 1040, Form 1040-SR, Form 1040-NR, Form 1040-PR, Form 1040-SS, or Form 1040(SP) (Form 1040 series), or a Federal income tax payment reported on one of these forms, that absent this notice would be due April 15, 2021, is affected by the COVID-19 emergency for purposes of the relief described in this section III (Affected Taxpayer). In addition, persons who are required to file and furnish Form 5498, IRA Contribution Information, Form 5498-ESA, Coverdell ESA Contribution Information, and Form 5498-SA, HSA, Archer MSA, or Medicare Advantage MSA Information (Form 5498 series) that absent this notice would generally be due June 1, 2021, are Affected Taxpayers.

The Secretary has also determined that any individual with a period of limitations to file a claim for credit or refund of Federal income tax that absent this notice would expire on or after April 15, 2021, and before May 17, 2021 (for example, certain individual taxpayers with claims for credit or refund in respect of their 2017 taxable years), is an Affected Taxpayer.

B. Postponement of Due Dates with Respect to Certain Federal Tax Returns and Federal Tax Payments

For an Affected Taxpayer, the due date for filing Federal income tax returns in the Form 1040 series and making Federal income tax payments in connection with one

of these forms having an original due date of April 15, 2021, is automatically postponed to May 17, 2021. Affected Taxpayers do not have to file any form, including Form 4868, Application for Automatic Extension of Time to File U.S. Individual Income Tax Return, to obtain this relief. This relief includes the filing of all schedules, returns, and other forms that are filed as attachments to the Form 1040 series or are required to be filed by the due date of the Form 1040 series, including, for example, Schedule H and Schedule SE, as well as Forms 965-A, 3520, 5329, 5471, 8621, 8858, 8865, 8915-E, and 8938. Finally, elections that are made or required to be made on a timely filed Form 1040 series (or attachment to such form) will be timely made if filed on such form or attachment, as appropriate, on or before May 17, 2021.

As a result of the postponement of the due date for Affected Taxpayers to file Federal income tax returns and make Federal income tax payments from April 15, 2021, to May 17, 2021, the period beginning on April 15, 2021, and ending on May 17, 2021, will be disregarded in the calculation of any interest, penalty, or addition to tax for failure to file the Federal income tax returns or to pay the Federal income taxes postponed by this notice. Interest, penalties, and additions to tax with respect to such postponed Federal income tax filings and payments will begin to accrue on May 18, 2021.

The postponement of the due date for filing these Federal income tax returns to May 17, 2021, also automatically postpones to the same date the time for Affected Taxpayers to make 2020 contributions to their individual retirement arrangements (IRAs and Roth IRAs), health savings accounts (HSAs), Archer Medical Savings Accounts (Archer MSAs), and Coverdell education savings accounts (Coverdell ESAs). This postponement also automatically postpones to May 17, 2021, the time for reporting and

payment of the 10-percent additional tax on amounts includible in gross income from 2020 distributions from IRAs or workplace-based retirement plans.

Forms in the Form 5498 series must be filed with the IRS and furnished to participants and beneficiaries by the due date specified in General Instructions for Certain Information Returns (Forms 1096, 1097, 1098, 1099, 3921, 3922, 5498, and W-2G). Because filers of Form 5498 series are Affected Taxpayers, the due date for filing and furnishing the Form 5498 series is postponed to June 30, 2021. The period beginning on the original due date of those forms and ending on June 30, 2021, will be disregarded in the calculation of any penalty for failure to file those forms. Penalties with respect to such a postponed filing will begin to accrue on July 1, 2021.

The relief provided in this section III.B for filing Federal income tax returns and paying Federal income taxes is available solely with respect to the Form 1040 series returns having an original due date of April 15, 2021, in respect of an Affected Taxpayer's 2020 taxable year, and the Form 5498 series returns that are due as described above. Businesses and any other type of taxpayer who file Federal income tax returns on forms outside of the Form 1040 series are not Affected Taxpayers for purposes of the relief described in this section III.B.

No extension is provided in this notice for the payment or deposit of any other type of Federal tax, including Federal estimated income tax payments, or for the filing of any Federal return other than the Form 1040 series and the Form 5498 series for the 2020 taxable year.

C. Relief with Respect to Certain Claims for Refund

Individuals with a period of limitations to file a claim for credit or refund of Federal income tax expiring on or after April 15, 2021, and before May 17, 2021, have until May 17, 2021, to file those claims for credit or refund. This postponement is limited to claims for credit or refund properly filed on the Form 1040 series or on a Form 1040-X.

As a result of the postponement of the time for individuals to file claims for credit or refund of Federal income tax where the period to file that claim expires on or after April 15, 2021, and before May 17, 2021, the period beginning on April 15, 2021, and ending on May 17, 2021, will be disregarded in determining whether the filing of those claims is timely.

IV. EXTENSION OF TIME TO PARTICIPATE IN THE ANNUAL FILING SEASON PROGRAM

Revenue Procedure 2014-42, 2014-29 IRB 192, created a voluntary Annual Filing Season Program to encourage tax return preparers who do not have credentials as practitioners under Treasury Department Circular No. 230 (*Regulations Governing Practice before the Internal Revenue Service*) to complete continuing education courses for the purpose of increasing their knowledge of the law relevant to Federal tax returns. Tax return preparers who complete the requirements in Rev. Proc. 2014-42 receive an annual Record of Completion. Under Rev. Proc. 2014-42, applications to participate in the Annual Filing Season Program for the 2021 calendar year must be received by April 15, 2021. In light of the relief granted in section III of this notice, the 2021 calendar year application deadline is postponed to May 17, 2021.

V. CONTACT INFORMATION

The principal author of this notice is Jennifer Auchterlonie of the Office of Associate Chief Counsel, Procedure and Administration. For further information regarding this notice, you may call (202) 317-5436 (not a toll-free call).