



# TAX INFORMATION MEMORANDUM

26 Mar 2020

01-20

## Code 16 Legal Assistance

**Subj: TAX FILING AND PAYMENT EXTENSION FOR INCOME TAX;  
THE FAMILIES FIRST CORONAVIRUS RESPONSE ACT;  
HIGH DEDUCTIBLE HEALTH PLANS AND EXPENSES  
RELATED TO COVID-19**

### **Tax Filing and Payment Extension for Income Tax:**

On 21 March 2020, the Internal Revenue Service (IRS) announced an **automatic extension** of the due date for both the filing of federal income tax returns and the payment due date of federal income taxes owed from 15 April 2020, to 15 July 2020.

The extension applies to all taxpayers, including individuals, trusts and estates, corporations and other non-corporate tax filers as well as those who pay self-employment tax. (See attached IR-2020-58)

Service Members do not need to file any additional forms or call the IRS to qualify for the automatic federal tax filing and payment relief. Individual taxpayers who need additional time to file beyond the July 15 deadline can request a filing extension by filing Form 4868 through their tax professional, tax software, or using the Free File link on IRS.gov.

However, Service Members who are due a refund are encouraged to file as soon as possible to receive their refund quickly.

### **The Families First Coronavirus Response Act:**

The Families First Coronavirus Response Act (FFCRA) expands food assistance programs such as Women, Infants and Children, commonly referred to as WIC; local food banks, senior nutrition programs and waives certain regulations easing restrictions on schools concerning the provision of lunches to students;

Dependents of Service Members and retirees employed by businesses with 500 or fewer employees, including part-time employees, are eligible for 80 hours of paid sick leave or childcare leave for specifically stated COVID-19 related conditions/situations. Employees are entitled to avail themselves of this leave benefit before they begin using any other benefit/leave normally available to them as a result of their employment. (See attached IR-2020-57)

(1) For employees experiencing symptoms, attempting to get a medical diagnosis, in quarantine or subject to federal, state or local quarantine or isolation orders, caring for quarantined family members, or caring for their minor children under the age of 18, whose schools have been closed.

(2) For employees who have been employed by this employer at least 30 calendar days the legislation expands the Family and Medical Leave Act (FMLA) by authorizing ten weeks of paid medical leave for childcare at 2/3 pay to employees caring for a minor child under the age of 18 if that employee is unable to work or to telework.

(3) Also, for those employees approved for leave under the FMLA, employers with 25 or more employees are required to return the employees to their same or equivalent position when the employee returns to work unless the position is no longer viable as a result of the COVID-19 emergency. If the position is no longer viable, the employer must make attempts to find a position for the employee for up to a year following the COVID-19 emergency.

The above provisions are temporary in nature and will expire on December 31, 2020.

Full text statute and additional information can also be found at:

<https://www.congress.gov/bill/116th-congress/house-bill/6201>;

<https://www.irs.gov/coronavirus>; and at

[https://www.dol.gov/agencies/whd/pandemic/ffcra-employee-paid-leave#\\_ftn2](https://www.dol.gov/agencies/whd/pandemic/ffcra-employee-paid-leave#_ftn2))

### **High Deductible Health Plans and Expenses Related to COVID-19:**

All medical care services received and items purchased associated with testing for and treatment of COVID-19 that are provided by a health plan without a deductible, or with a deductible below the minimum annual deductible otherwise required under section 26 USC 223(c)(2)(A) for a high deductible health plan (HDHP), will be disregarded for purposes of determining the status of the plan as an HDHP.

An individual covered by an HDHP will not be disqualified from being an individual eligible to make tax-favored contributions to a health savings account.

(See attached IR-2020-54)

Please contact your JAG for additional information.