

There is a lot of confusion following the latest announcement about when your taxes are due, so I thought I would take this opportunity to update you as well as outline some new policies we are implementing.

First, if you have already filed your tax returns, you should get your refunds within 21 days of the filing date. I have heard nothing to indicate that the IRS and Maryland are not processing returns in a timely matter.

But if you have filed and owe money, the latest announcement may affect you.

According to the White House as well as Maryland Gov. Hogan:

1. Taxpayers have an additional 90-day extension FOR MAKING TAX PAYMENTS. This means you have until July 15 to pay any balances due to either the IRS or to Maryland.
2. There will be no interest or penalty for late payments as long as they are made by July 15.
3. THIS IS NOT AN EXTENSION FOR FILING YOUR TAX RETURNS. The filing deadline for individuals is still April 15.
4. The current rules on extensions are still in force. That is, extensions requested by April 15 are automatically extended until Oct. 15 for personal returns.
5. There has been some guidance on estimated tax payments which seems to indicate that penalties will be waived but we need more clarification. The first estimated tax payments are due April 15 and we are advising clients to meet that deadline, if possible, until we learn otherwise. The confusion, for me at least, is that the next tax payment date is June 15.
6. There has been no change in filing deadlines for business returns but the extension for payments applies to businesses, as well.
7. We have set up automatic withdrawals for balances due for some clients. Others have set up automatic payments directly through the IRS or Maryland websites. It is possible to change those dates to take advantage of the new July 15 deadline, but it involves work and lots of patience on your part. We cannot do this for you. You must call the E-File Payment Services line at 1-888-353-4537. If you cancel the payment, don't forget to reschedule it. I do not know if you can do this on the same phone call. I do not have any information about Maryland.

There is a lot of confusion about these changes and it is clear that not all details have been worked out. We will update you as best we can but you may want to check irs.gov or marylandtaxes.gov.

Now, for changes in our office.

We have many clients, as well as staff members and spouses of staff members, who fall into the "most vulnerable" category. We must do everything possible to avoid becoming infected or spreading this virus. At the same time, some of my staffers are working 12- to 14-hour days and we fully intend to do our best to get everyone's tax returns done by April 15. You can help us by getting us your tax documents as soon as possible.

Accordingly, here are our changes:

1. We will no longer have face-to-face meetings with clients who are dropping off tax documents. We will communicate by phone or email as necessary.
2. We request that you simply drop off your tax documents from 10 a.m. until 4 p.m. or, better yet, mail them. We highly advise that you use certified mail so you can track your package if necessary. There is no need to send by overnight mail.

3. If you have not already signed your engagement letter, please initial the box to allow us to file an extension if necessary. We cannot predict what the situation will be on April 15 so we want to be prepared.
4. We request that you call to make a 15-minute appointment for signing your tax documents between 10 a.m. and 4 p.m. This will help everyone avoid the logjam that invariably happens now through April 15 as clients pick up their returns. We don't want clients standing around our small office and risk being exposed to the virus.
5. We encourage everyone to use our secure portal. This is the safest way to interact with us. You can upload your tax documents as well as receive documents back from us. You can also e-sign your tax documents there to allow us to file your returns electronically as we normally do. If you have not already checked out the portal, perhaps now is the time to do so. If you have issues with it you can email us or call the office and we can walk you through the steps to gain access to the portal and/or utilize its features. You can also go to our website www.jkassociatetestax.com and look under the portal tab.

Several years ago we set up our secure portal and also the ability for most of my staff to work from home. We believe we are prepared for this emergency.

We want to stay focused on getting your tax returns done and meeting the April 15th. We can do that if we all stay healthy. We want you to stay healthy, too. If you have any suggestions to help us during this national emergency, please let us know.