



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

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STATE TREASURER

NOTICE
AUTOMATIC EXTENSION
OF STATE AND INCOME TAX FILING DEADLINES

Issued: April 17, 2020

This departmental notice provides taxpayers with combined information on the extensions of time to file Michigan income tax returns and remit tax and the waivers from penalty and interest that the Department will grant based on Executive Order 2020-26 and Internal Revenue Service (IRS) Notice 2020-23.

Governor Whitmer issues Executive Order 2020-26. Executive Order 2020-26, issued on March 27, 2020, automatically extended certain deadlines for filing and paying state and city income taxes in Michigan. The automatic extension generally allowed for returns and payments otherwise due in April 2020 to be filed in July 2020 without accrual of penalty and interest. This 3-month extension to file returns and pay tax generally accorded with the same relief provided by the IRS for federal taxpayers with returns and payments due on April 15, 2020 (IRS Notice 2020-17).

IRS issues Notice 2020-23. On April 9, 2020 the IRS issued supplemental guidance through Notice 2020-23 providing extensions to July 15, 2020 for any individual, fiduciary or corporation with a return or payment due between April 15, 2020 and July 15, 2020. Notice 2020-23 therefore expanded the automatic extension to include the second quarter estimated tax payment and fiscal year income tax returns and payments due on or after April 15, 2020, and before July 15, 2020.

Michigan's conformity with IRS Notice 2020-23. To conform to the automatic extensions for returns and estimated income tax payments granted through Notices 2020-17 and 2020-23, the Department will extend the due date for all Michigan income tax returns or payments due between April 15, 2020 and July 30, 2020. The automatic extension is limited to returns and payments due under the Michigan Income Tax Act.

City income tax. This departmental notice does not apply to city income taxes, which remain extended only as provided by Executive 2020-26 or as otherwise indicated by each respective city. Taxpayers should contact their respective city income tax administrators for information regarding that city's potential conformity with Notice 2020-23.

State income tax extension dates. Because the extensions within the Executive Order and this departmental notice are generally applicable to any return or payment due between April 15, 2020 and July 30, 2020, the following due dates have been modified: the filing and payment of the annual return, the application and payment of tax for any extension of time to file the annual return,

and payment of first and second quarter estimated payments. These extensions are automatic — there is no need for taxpayers to include any additional information upon the filing of the return or otherwise contact the Department in advance to request an extension.

1. Extension of Annual Return Filing and Payment Date for Calendar and Fiscal Filers.

The due date for the filing of the return and payment of tax based on the due date of the annual return has been automatically extended.

- *State Individuals, Fiduciaries, and Composite Filers* — For calendar and fiscal individual, fiduciary, and composite taxpayers that file state returns otherwise due between April 15, 2020 and before July 15, 2020, the return and payment of tax has been automatically extended to July 15, 2020.
- *State Corporate Filers*— For calendar and fiscal corporate state income tax filers with returns otherwise due between April 30, 2020 and before July 31, 2020, the return and payment of tax has been automatically extended to July 31, 2020.

2. Extension of Date for Application and Payment for Extension Requests

Individual and corporate taxpayers may generally request an extension of time to file the annual return provided, however, that tax is paid by the due date of the original return. For purposes of paying that tax, the due date of the original return is the filing date of the annual return as established by Executive Order 2020-26 or this departmental notice. A taxpayer requesting an extension of time to file an annual return must therefore file an application and pay any tax with that extension request by the respective annual return filing date in July 2020. The due date of the extended annual return, however, will not be modified by Executive Order 2020-26 or this departmental notice.

The following general rules will apply for most taxpayers seeking an extension of time to file the annual return:

- *Individuals* — An individual taxpayer requesting a 6-month extension of time to file a state income tax return must submit that request and pay the appropriate amount of tax by July 15, 2020, but the extended annual return remains due on October 15, 2020.
- *Corporations* — A calendar-year corporate taxpayer requesting an 8-month extension of time to file a state corporate income tax return must submit that request and pay the appropriate amount of tax by July 31, 2020, but the extended annual return remains due on December 31, 2020. A fiscal-year corporate taxpayer with an annual return due on June 30, 2020 must submit an extension request and pay the appropriate amount of tax by July 31, 2020, but the extended annual return remains due on February 28, 2021.

3. Extension of Estimated Payments Date for Q1 and Q2 2020

Executive Order 2020-26 extended the date to remit the quarterly estimated tax payment due for the first quarter of 2020. To conform with IRS Notice 2020-23, this departmental notice similarly extends the date for second quarter estimated payments for the state income tax. Accordingly, for most filers, the first and second quarter estimated payments are due on July 15, 2020. For certain fiscal filers, any estimated payment due after April 15, 2020 and before July 15, 2020 is due on July 15, 2020.

With regard to any extension authorized by Executive Order 2020-26 and this departmental notice, penalty and interest will not accrue for the period for which that extension is automatically effective. Penalty and interest for late filing of the return will therefore not accrue between April 15, 2020 and July 15, 2020 for most individuals and fiduciaries and, likewise, will not accrue between April 30, 2020 and July 31, 2020 for most corporations. However, the suspension of penalty and interest is limited to the automatic extensions authorized under Executive Order 2020-26 and this departmental notice; penalty and interest will continue to accrue as appropriate for taxes otherwise owed by any taxpayer.

Executive Order 2020-26 and this departmental notice similarly suspends the time period for the calculation of interest on any refund of state or city income taxes for the 2019 tax year. Interest will generally not begin to accrue until 45 days after the claim for refund is filed or 45 days after the extended due date for the filing of the return, whichever is later.

Additional information can be found at www.michigan.gov/taxes.