



FOR IMMEDIATE RELEASE

AICPA Says Millions of Taxpayers Will Not Benefit from IRS Extension of Tax Deadline

Washington, D.C. (March 17, 2021) – Following weeks of calls from the [American Institute of CPAs](#) (AICPA), Members of Congress and other groups to extend the April 15th filing and payment deadline, the Internal Revenue Service (IRS) announced today that it would extend the filing and payment deadline for some – but not all – taxpayers for the 2021 tax season from April 15th to May 17th.

“While we appreciate the IRS’ recognition that a filing deadline postponement is indeed necessary, the announcement is far too selective in who is receiving relief,” said AICPA President and CEO Barry Melancon, CPA, CGMA. “In fact, the taxpayers who are most likely to benefit from this additional time are taxpayers who are able to meet the original filing deadline.”

According to an IRS press release, the relief does not include estimated tax payments that are due on April 15th. This IRS extension does not extend to the millions of small business owners and individuals who pay estimated taxes and the following:

- Trust income tax payments and return filings on Form 1041
- Corporate income tax payments and return filings on various Forms 1120

“Americans, individuals and small businesses have been impacted immeasurably. The fact is virtually all aspects of the federal government and state and local governments have also been impacted. A fair assessment might conclude, for a variety of reasons, that the IRS has been affected more than other federal agencies. I believe taxpayers and practitioners understand this,” Melancon continued. “It is commendable that the IRS wants to demonstrate a return to normalcy. However, the IRS, through no fault of their employees, is seeing significant backlogs, inundated phone lines, unopened mail by the millions and systems sending out unwarranted notices. Extending all tax returns due to June 15th exhibits an understanding of the IRS’ impact on the American public.”

In letters to the Department of the Treasury and the IRS, AICPA has emphasized that the benefits of extending the payment and filing deadline to June 15th would ease the impact of the pandemic on taxpayers – especially small businesses – and tax practitioners and help many states maintain revenue levels within their current fiscal years.

Failure to include estimated payments nullifies any benefit of a postponement since the tax return work has to be done to calculate estimated payments. More than 9.5 million individual returns filed in for the 2018 tax year included estimated payments.

“This selective decision by the IRS unfortunately creates more bureaucracy and confusion and is out of sync with real world stresses that taxpayers, tax practitioners and small businesses are dealing with,” said Melancon.

About the American Institute of CPAs

The American Institute of CPAs (AICPA) is the world’s largest member association representing the CPA profession, with more than 431,000 members in the United States and worldwide, and a history of serving the public interest since 1887. AICPA members represent many areas of practice, including business and industry, public practice, government, education and consulting. The AICPA sets ethical standards for its members and U.S. auditing standards for private companies, nonprofit organizations, and federal, state and local governments. It develops and grades the Uniform CPA Examination, offers specialized credentials, builds the pipeline of future talent and drives professional competency development to advance the vitality, relevance and quality of the profession.

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BACKGROUND:

- In a [letter](#) sent earlier last month, the AICPA called attention to the hardship that millions of taxpayers and tax practitioners are facing while making good faith efforts to comply with their tax obligations. The AICPA called for relief from underpayment and late payment penalties for the 2020 taxable year.
- Late last month, the AICPA sent a [letter](#) urging the Department of the Treasury and the IRS to provide taxpayers with more certainty and stability by announcing any pending tax filing and payment deadline postponements. Additionally, the AICPA called for Treasury and the IRS to provide underpayment and late payment penalty relief, delay collection activities and expand the temporary e-signature relief to the millions of taxpayers affected and working through the challenges created by the COVID-19 pandemic.
- A subsequent [statement](#) released by the AICPA again urged action by Treasury and the IRS and reiterated the need for filing and payment extension and urgency of doing it now.

- The AICPA released a [statement](#) yesterday addressing criticism of a deadline postponement and reiterating the need for a payment and filing deadline extension to June 15th.