

# IRS NEWS FOR BUSINESS

## July 2020

### ► UPCOMING WEBINARS

Please check [Webinars for Small Businesses](#) for updates.

### ► HOT TOPICS

#### [Keep Economic Impact Payment notice with other tax records](#)

- People who receive an Economic Impact Payment this year should keep Notice 1444, Your Economic Impact Payment, with their tax records. This notice provides information about the amount of their payment, how the payment was made and how to report any payment that wasn't received.

#### [Taxpayers should be aware of myths about tax refunds](#)

- Now that many taxpayers have filed their federal tax returns electronically and the IRS is back to processing paper tax returns sent by mail, they're eager for details about their refund. When it comes to refunds, there are several common myths.

### ► IRS OPERATIONS AND SERVICES

#### [IRS Operations During COVID-19: Mission-critical functions continue](#)

This page is updated as IRS operations and services change. Please check back often.

Updated July 2, 2020.

- Processing Delays for Paper Tax Returns
- Taxpayer Assistance Centers
- Practitioner Priority Service and Centralized Authorization File processing operations
- Taxpayer Correspondence
- Balance Due Notice Mailings - Due Dates Extended to Help Taxpayers

### ► SCAM ALERT

#### [IRS warns against COVID-19 fraud; other financial schemes](#)

- The IRS reminds taxpayers to guard against tax fraud and other related financial scams related to COVID-19.
- In the last few months, the IRS Criminal Investigation division (CI) has seen a variety of Economic Impact Payment scams and other financial schemes looking to take advantage of unsuspecting taxpayers. CI continues to work with law enforcement agencies domestically and abroad to educate taxpayers about these scams and investigate the criminals perpetrating them during this challenging time.

## ► IN CASE YOU MISSED IT

### [Flowchart helps employers understand new tax credits](#)

- The IRS recently issued [Publication 5419, New Employer Tax Credits](#) in English and [Spanish](#) to help employers understand that tax credits available to them due to the coronavirus pandemic. The one-page document breaks down the details of the Employer Retention Credit and the credits for paid sick and family leave in easy-to-follow charts. Using the document, employers can quickly determine whether they are eligible for the credits, the amount of the credits and which wages apply to the credits.

### [Deferral of employment tax deposits and payments through December 31, 2020](#)

- The CARES Act allows employers to defer the deposit and payment of the employer's share of Social Security taxes *and self-employed individuals to defer payment of certain self-employment taxes*. These FAQs address specific issues related to the deferral of deposit and payment of these employment taxes.

### [Many multilingual resources are available on IRS.gov](#)

- To reach as many people as possible, the IRS translates tax information into multiple languages. To get information in one of these languages, taxpayers can click on the language dropdown tab at the top of every IRS.gov page. The dropdown displays the current language selection and lists the other languages a taxpayer can choose to view translated IRS.gov pages.
- IRS.gov pages translated into one or more languages also have links to available translations on the right side of the page, just below the title. Languages currently available include Spanish, Chinese, Korean, Russian, Vietnamese and Haitian-Creole.

## ► NEWS FOR INDIVIDUALS

### [IRS announces rollover relief for required minimum distributions from retirement accounts that were waived under the CARES Act](#)

- Anyone who already took a required minimum distribution in 2020 from certain retirement accounts now has the opportunity to roll those funds back into a retirement account following the CARES Act RMD waiver for 2020.

### [Relief for taxpayers affected by COVID-19 who take distributions or loans from retirement plans](#)

- The IRS released Notice 2020-50 to help retirement plan participants affected by the COVID-19 coronavirus take advantage of the CARES Act provisions providing enhanced access to plan distributions and plan loans. This includes expanding the categories of individuals eligible for these types of distributions and loans (referred to as "qualified individuals") and providing helpful guidance and examples on how qualified individuals will reflect the tax treatment of these distributions and loans on their federal income tax filings.

## [IRS outlines changes to health care spending available under CARES Act](#)

- The IRS has advised that new rules under the CARES Act provide flexibility for health care spending that may be helpful in the current environment where more people may need at-home services due to measures to fight the coronavirus.

## [IRS provides answers about Coronavirus related tax relief for Qualified Opportunity Funds and investors](#)

- The IRS provided guidance for Qualified Opportunity Funds and their investors in response to the ongoing Coronavirus Disease 2019 (COVID-19) pandemic.
- Notice 2020-39 (PDF) answers questions regarding relief from certain requirements under section 1400Z-2 of the Internal Revenue Code (Code) and the implementing regulations. Additionally, the IRS has updated the Qualified Opportunity Zones frequently asked questions.

## ► NEWS FOR EMPLOYERS

### [Who qualifies for which new employer tax credit?](#)

- Many businesses affected by COVID-19 qualify for tax relief through credits or deferrals.
  - Credits for paid sick and family leave
  - Employee Retention Credit
  - Deferral of employment tax deposits and payments.

### [IRS provides guidance on employer leave-based donation programs that aid victims of the COVID-19 pandemic](#)

- The IRS recently provided guidance for employers whose employees forgo sick, vacation or personal leave because of the COVID-19 pandemic.
- [Notice 2020-46](#) provides that cash payments employers make to charitable organizations that provide relief to victims of the COVID-19 pandemic in exchange for sick, vacation or personal leave which their employees forgo will not be treated as compensation. Similarly, the employees will not be treated as receiving the value of the leave as income and cannot claim a deduction for the leave that they donated to their employer.

## ► NEWS FOR BUSINESSES

### [Aviation Excise Tax Holiday under the CARES Act](#)

- The CARES Act, enacted on March 27, 2020, provides an excise tax holiday that suspends certain aviation excise taxes. The excise tax holiday began on March 28, 2020 and will end on December 31, 2020. During the excise tax holiday, no tax is imposed on kerosene used in commercial aviation, and normally taxed pursuant to I.R.C. §§ 4041(c) or 4081.

### [Notice 2020-48 - Sport Fishing Equipment and Bows and Arrows Excise Tax](#)

- Notice 2020-48 provides expanded disaster relief, in the form of postponing until October 31, 2020, certain Federal excise tax filing and payment deadlines, and associated interest, penalties, and additions to tax, **for taxpayers who owe a federal excise tax for sales of**

**sport fishing or archery equipment for the second quarter of 2020.** The notice further provides the specific procedures to follow for taxpayers who wish to take advantage of the postponement. It will appear in IRB 2020-29 dated July 13, 2020.

## ► PEOPLE FIRST INITIATIVE

### [IRS' People First Initiative provides compliance relief](#)

- The IRS unveiled the [People First Initiative](#) on March 25, 2020. It is an unprecedented effort to temporarily scale back many collection and enforcement activities by the IRS during the COVID-19 global pandemic.
- The purpose of the People First Initiative is to immediately ease the burden on people facing tax issues as much as possible, to enable them to better focus on the well-being of themselves and others during this unprecedented situation for the nation. It is not permanent, but it will stay in effect until it is deemed to no longer be needed.

## ► ECONOMIC IMPACT PAYMENTS

### [Economic Impact Payments: Partner and Promotional Materials](#)

- **SEE THE NEW SECTION: Reaching People Who Are Eligible for a Payment and Don't Normally File a Tax Return**

#### Recent News Releases

- [159 million Economic Impact Payments processed; Low-income people and others who aren't required to file tax returns can quickly register for payment with IRS Non-Filers tool](#)
- [Economic Impact Payments belong to recipient, not nursing homes or care facilities](#)
- [Returning an Economic Impact Payment](#)

## ► TCJA (Tax Cuts and Jobs Act)

### [IRS issues guidance on the elimination of the deduction of qualified transportation fringe benefit expenses](#)

- The IRS issued proposed regulations that provide guidance for the deduction of qualified transportation fringe and commuting expenses.
- The Tax Cuts and Jobs Act (TCJA) does not allow deductions for qualified transportation fringe expenses and does not allow deductions for certain expenses of transportation and commuting between an employee's residence and place of employment.

## ► TAX EXEMPT ORGANIZATIONS

- See the homepage for [Charities and Nonprofits](#) for a wealth of resources.

## ► e-NEWS SUBSCRIPTIONS and SOCIAL MEDIA

### e-News Subscriptions

- The IRS offers several e-News subscriptions on a variety of tax topics. Click above for information about subscribing.

### IRS Social Media

- The IRS uses social media tools to share the latest information on tax changes, scam alerts, initiatives, products and services. Connect with the IRS through social media tools.

## ► HOW TO SHARE IRS INFO ON SOCIAL MEDIA

When you find an article you want to share, click on the “Share” link. Like so:

- Scroll to the bottom of any page on IRS.gov. Look for “Share / Print”



- Click on Share
- You can share on Facebook, Twitter, or LinkedIn.