

Retirement Plan Issues and COVID-19: Additional Relief Issued By IRS

April 15, 2020

The IRS issued Notice 2020-23 (the “**Notice**”), postponing various employee benefit related deadlines under the Internal Revenue Code. Under the Notice, the due dates of many tax payments and filings that would ordinarily fall on or after April 1, 2020 through July 14, 2020 were automatically extended to July 15, 2020. For example, Forms 990 that would have been due for calendar year filers on May 15, 2020 and Form 990-T that would have been due for calendar year filers on April 15, 2020 are now not due until July 15, 2020. Note that this relief will not apply to Forms 5500 for plans with calendar year plan years since those Forms 5500 are due July 30, 2020, which is currently outside of the relief period.

The Notice also provides relief to any plan performing one of 44 time-sensitive actions that are listed under Revenue Procedure 2018-58. To the extent these actions would have otherwise been due on or after April 1, 2020 through July 14, 2020, under the Notice, they are delayed until July 15, 2020. Among the included actions covered by the relief are plan loan repayments, timing of indirect loan rollovers, required minimum distributions, distributions of excess deferrals, and corrective distributions for excess contributions/excess aggregate contributions. Unlike the delay in loan repayments that apply only to qualified individuals under the CARES Act (Coronavirus Aid, Relief, and Economic Security Act), the delay under the Notice applies to all participants with an outstanding loan balance.

Notice 2020-23 is available here: <https://www.irs.gov/pub/irs-drop/n-20-23.pdf>.