



STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

300A Outlet Pointe Blvd., Columbia, South Carolina 29210
P.O. Box 125, Columbia, South Carolina 29214-0575

SC INFORMATION LETTER #20-4

SUBJECT: Extended Tax Relief Restated and Updated - Persons and Businesses Affected by Coronavirus (COVID-19) (All Taxes)

DATE: March 23, 2020

MODIFIES: SC Information Letter #20-3

AUTHORITY: S.C. Code Ann. Section 12-4-320 (2014)
S.C. Code Ann. Section 1-23-10(4) (2005)
SC Revenue Procedure #09-3

SCOPE: An Information Letter is a written statement issued to the public to announce general information useful in complying with the laws administered by the Department. An Information Letter has no precedential value.

Internal Revenue Service Expands Income Tax Relief. The Internal Revenue Service provided special income tax filing and payment relief to those affected by Coronavirus (COVID-19) on March 21, 2020. The tax relief automatically postpones until July 15, 2020, the due date for filing Federal income tax returns (or extensions) and making Federal income tax payments originally due April 15, 2020. There is no limitation of the amount of the payment that may be postponed.

The relief is available solely for:

- Federal income tax payments due on April 15, 2020;
- Federal income tax returns due on April 15, 2020 for the affected taxpayer's 2019 tax year; and
- Federal estimated income tax payments due on April 15, 2020, for the affected taxpayer's 2020 tax year (including payments of tax on self-employment income).

No extension is provided for the payment or deposit of any other type of Federal tax, or the filing of any Federal information return. Interest, penalties, and additions to tax with respect to such postponed Federal income tax filings and payments will begin to accrue on July 16, 2020.

See Notice 2020-18 attached and Internal Revenue Service IR-2020-58 for more information.

South Carolina Department of Revenue Extends Income Tax Relief. As directed by Governor Henry McMaster, the Department is conforming South Carolina's income tax deadline to July 15, 2020, the new Federal income tax deadline. Accordingly, the Department is extending tax relief for South Carolina 2019 income tax returns (e.g., individual, C corporation, trust returns) originally due April 15, 2020, to provide the same relief granted by the Internal Revenue Service.¹ As a result, taxpayers will have until **July 15, 2020** to file South Carolina income tax returns and pay income taxes due. This also includes quarterly estimated payments due on April 15, 2020. Interest or penalties related to this tax relief will be waived.

Even with the filing deadline extended to July 15, 2020, the Department is encouraging taxpayers who are due an income tax refund to file as soon as possible and file electronically. The Department is continuing to process tax returns and issue income tax refunds during this rapidly changing environment.

Other South Carolina Tax Relief (Other Than Income Tax Relief Provided Above). The Department announced in SC Information Letter #20-3, dated March 17, 2020, that affected taxpayers will have until **June 1, 2020** to file and pay taxes for returns that are due between April 1, 2020 and June 1, 2020. On March 21, 2020, Governor McMaster directed that other state taxes (i.e., those taxes other than the income taxes conforming to the new federal income tax deadline) will remain delayed until June 1, 2020, as previously ordered.

The June 1, 2020 relief applies to taxes administered by the Department or tax returns filed with the Department between April 1, 2020 and June 1, 2020, including, but not limited to:

- State sales and use taxes
- Local sales and use taxes collected by the Department
- Property tax returns filed with the Department²
- Withholding taxes
- Motor fuel user fees
- State accommodations taxes
- Beer, wine, and liquor taxes

Note: The relief does not apply to tax returns filed with a county or municipality, such as the local hospitality tax or local accommodations tax pursuant to Title 6 of the South Carolina Code of Laws. A taxpayer should contact the county regarding any tax relief being provided for tax payments made to the county or tax returns filed with the county.

Returns Filed by Affected Taxpayers. Taxpayers filing an electronic or paper South Carolina tax return will automatically receive this tax filing and payment relief. Taxpayers do not need to file any additional forms or call the Department to qualify for this relief.

¹ This Information Letter modifies SC Information Letter #20-3 where the Department announced that the due date for all returns and all tax payments due April 15, 2020 would be postponed until June 1, 2020.

² This tax relief only applies to any property tax return filed with the Department (e.g., PT-100, PT-300, PT-420). Business property tax returns for Cherokee, Chester, Colleton, Dorchester, Greenville, Oconee, Pickens, and Saluda counties are filed with the Department and qualify for this tax relief.

Returns Filed Without Payment. Taxpayers may choose to continue to file South Carolina tax returns with the Department during the relief periods electronically, through MyDORWAY, or by paper. Such taxpayers may choose to postpone payment of the tax due reported on the return until the June 1, 2020 or July 15, 2020 relief due date. Interest or penalties related to this tax relief will be waived if payment is made by the end of the relief period.

Additional Extension of Time to File Income Tax Returns to October 15, 2020. This tax relief automatically postpones the due date of a South Carolina income tax return from April 15, 2020 to July 15, 2020. Individuals and businesses who need additional time to file beyond the July 15 deadline can request an extension of time to file by filing the appropriate South Carolina extension (i.e., SC Form 4868, 1120-T, or 8736) on or before **July 15, 2020**. Alternatively, if a taxpayer files a timely federal extension, this will automatically extend the time to file the South Carolina 2019 income tax return to October 15, 2020.

Questions and Other Relief.

General Tax Relief Questions and Information. Taxpayers with general tax relief questions should contact the Department at 1-844-898-8542 (toll free) or see updated South Carolina tax relief information posted on a special Coronavirus (COVID-19) page at dor.sc.gov/emergencies.

Questions Concerning Current Audit and Collection Matters. This relief does not apply to current collection matters, including payments due under any payment plan previously entered into with the Department. Taxpayers with questions concerning a current Department audit or collection matter should contact the Department's revenue officer or auditor who is handling their specific audit or collection matter.

Questions Concerning County Property Taxes. Taxpayers with questions concerning county property taxes should contact the appropriate county government official.

Part III - Administrative, Procedural, and Miscellaneous

Relief for Taxpayers Affected by Ongoing Coronavirus Disease 2019 Pandemic

Notice 2020-18

I. PURPOSE

On March 13, 2020, the President of the United States issued an emergency declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act in response to the ongoing Coronavirus Disease 2019 (COVID-19) pandemic (Emergency Declaration). The Emergency Declaration instructed the Secretary of the Treasury “to provide relief from tax deadlines to Americans who have been adversely affected by the COVID-19 emergency, as appropriate, pursuant to 26 U.S.C. 7508A(a).” Pursuant to the Emergency Declaration, this notice provides relief under section 7508A(a) of the Internal Revenue Code (Code) for the persons described in section III of this notice that the Secretary of the Treasury has determined to be affected by the COVID-19 emergency. This notice supersedes Notice 2020-17.

II. BACKGROUND

Section 7508A provides the Secretary of the Treasury or his delegate (Secretary) with authority to postpone the time for performing certain acts under the internal revenue laws for a taxpayer determined by the Secretary to be affected by a Federally declared disaster as defined in section 165(i)(5)(A). Pursuant to section 7508A(a), a

period of up to one year may be disregarded in determining whether the performance of certain acts is timely under the internal revenue laws.

On March 18, 2020, the Department of the Treasury and the Internal Revenue Service issued Notice 2020-17 providing relief under section 7508A(a) of the Code, which postponed the due date for certain Federal income tax payments from April 15, 2020 until July 15, 2020. This notice restates and expands upon the relief provided in Notice 2020-17.

III. GRANT OF RELIEF

The Secretary of the Treasury has determined that any person with a Federal income tax payment or a Federal income tax return due April 15, 2020, is affected by the COVID-19 emergency for purposes of the relief described in this section III (Affected Taxpayer). The term “person” includes an individual, a trust, estate, partnership, association, company or corporation, as provided in section 7701(a)(1) of the Code.

For an Affected Taxpayer, the due date for filing Federal income tax returns and making Federal income tax payments due April 15, 2020, is automatically postponed to July 15, 2020. Affected Taxpayers do not have to file Forms 4868 or 7004. There is no limitation on the amount of the payment that may be postponed.

The relief provided in this section III is available solely with respect to Federal income tax payments (including payments of tax on self-employment income) and Federal income tax returns due on April 15, 2020, in respect of an Affected Taxpayer’s 2019 taxable year, and Federal estimated income tax payments (including payments of

tax on self-employment income) due on April 15, 2020, for an Affected Taxpayer's 2020 taxable year.

No extension is provided in this notice for the payment or deposit of any other type of Federal tax, or for the filing of any Federal information return.

As a result of the postponement of the due date for filing Federal income tax returns and making Federal income tax payments from April 15, 2020, to July 15, 2020, the period beginning on April 15, 2020, and ending on July 15, 2020, will be disregarded in the calculation of any interest, penalty, or addition to tax for failure to file the Federal income tax returns or to pay the Federal income taxes postponed by this notice. Interest, penalties, and additions to tax with respect to such postponed Federal income tax filings and payments will begin to accrue on July 16, 2020.

IV. EFFECT ON OTHER DOCUMENTS

This Notice supersedes Notice 2020-17. Because of the expansion of relief provided in this notice and the fact that Notice 2020-17 is superseded, any phone calls regarding Notice 2020-17 that have not already been returned will not be returned. As noted below, taxpayers with questions regarding the application of this notice should contact (202) 317-5436.

V. DRAFTING INFORMATION

The principal author of this notice is Jennifer Auchterlonie of the Office of Associate Chief Counsel, Procedure and Administration. For further information regarding this notice, you may call (202) 317-5436 (not a toll-free call).