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Insights

Good News: IRS Grants $1.2 Billion in Penalty Relief for Taxpayers Impacted by Covid-19

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The senior living industry was hit hard by the Covid-19, and the IRS recently announced relief for people or businesses who filed their 2019 or 2020 tax returns late as a result. If your business was subject to failure to file penalties for 2019 or 2020, Notice 2022-36 announced that penalties may be waived for the 2019 and 2020 tax returns provided you file on or before September 30, 2022.

Relief is automatic for those that qualify. If you still have not filed your 2019 or 2020 return, do so before the end of this month to get the benefit of this penalty abatement.

Taxpayers that have already paid the penalties will receive a refund or credit. The IRS expects more than $1.2 billion in refunds will be issued, and most taxpayers will receive their refunds by the end of September.

If you think you are in this situation and have any questions about whether you qualify for this benefit, reach out to your tax advisor now.

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