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AICPA Supports Request for IRS Deadline Extension for Penalty Relief

In late August, the IRS announced it would offer automatic penalty relief to certain taxpayers for taxable years 2019 and 2020.

Sep. 28, 2022



IRS

Department of the Treasury Internal Revenue Service

The [American Institute of CPAs](#) applauded a bicameral [letter](#), led by U.S. Senate Finance Committee Ranking Member Mike Crapo (R-ID) and U.S. House Ways and Means Committee Ranking Member Kevin Brady (R-TX), urging the Department of the Treasury and the Internal Revenue Service (IRS) to extend the deadline for COVID-19-related taxpayer penalty relief from September 30, 2022, to mid- to late-November, 2022.

The letter, signed by eight members of the U.S. Senate Finance Committee and 16 members of the U.S. House Committee on Ways and Means stated, “Extending the relief deadline through mid-to-late November 2022, with whatever appropriate procedural guardrails are determined to be necessary, would provide needed time for more taxpayers to come into voluntary tax compliance without unduly burdening the IRS.”

In late August, the IRS announced it would offer automatic penalty relief to certain taxpayers for taxable years 2019 and 2020. The AICPA promptly submitted a [letter](#)

conveying gratitude but outlining concerns about the tight deadline of September 30 provided in Notice 2022-36.

“We are grateful that the IRS recognized the need for penalty relief for taxpayers at a time when taxpayers, tax practitioners and the IRS are trying to recover and catch up following three years of a pandemic,” said AICPA Director for Tax Policy & Advocacy, Eileen Sherr, CPA, CGMA. “At a time when practitioners are working to meet the September 30 deadline for trusts and the October 15 deadline for individuals and corporations, it’s just not reasonable to impose another deadline on them. We thank Ranking Members Crapo and Brady, as well as their colleagues, for their quick action in support of extending the deadline.”

Since July of 2020, the AICPA has urged the IRS in multiple letters and statements to provide broad penalty relief to taxpayers who have experienced unprecedented challenges due to the pandemic.

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