

LEGAL UPDATE

IRS Extends Time to Make IRA, HSA Contributions and File Forms 1040

On March 29, 2021, the Internal Revenue Service issued [Notice 2021-21](#), which extends tax deadlines for filing Form 1040 series returns and other deadlines to **May 17, 2021**. The Notice, issued as a result of the ongoing COVID-19 pandemic, follows a [prior IRS extension](#) (also to May 17, 2021) of the federal income tax filing due date for individuals for the 2020 tax year.

The **Form 1040 series** includes [Form 1040](#), [Form 1040-SR](#), [Form 1040-NR](#), [Form 1040-PR](#), and [Form 1040-SS](#). Businesses and other types of taxpayers that file federal income tax returns on forms outside of the Form 1040 series are **not** eligible for the extension. In addition, the Notice does **not alter** the April 15, 2021 deadline for estimated tax payments.

Contributions to IRAs and Other Accounts

The Notice automatically postpones, to **May 17, 2021**, the time for individuals to make 2020 contributions to their individual retirement arrangements (IRAs and Roth IRAs), health savings accounts (HSAs), Archer medical savings accounts (Archer MSAs), and Coverdell education savings accounts.

Notice 2021-21 also postpones, to **June 30, 2021**, the due date for **Form 5498 series returns** related to these accounts ([Form 5498](#), [Form 5498-ESA](#), [Form 5498-SA](#)). These forms must usually be filed with the IRS and furnished to participants and beneficiaries by the due date specified in general instructions for other information returns. The period beginning on the original due date of those forms and ending on June 30, 2021, will be disregarded in calculating any penalty for failure to file.

Other Extended Deadlines

The Notice also extends, to **May 17, 2021**, the time to claim refunds for 2017 federal income tax returns and the time to file an application to voluntarily participate in the Annual Filing Season Program for calendar year 2021.

Important Dates

April 15, 2021

Original due date for Form 1040 series returns. Current deadline for estimated tax payments.

May 17, 2021

Extended deadline for Form 1040 series returns, 2020 IRA and other account contributions, reporting and payment of an additional tax related to 2020 IRA distributions, and 2017 refund claims.

June 30, 2021

Extended deadline for filing and furnishing the Form 5498 series.

No extension is provided for the filing of any return other than the Form 1040 series and the Form 5498 series for the 2020 taxable year.

Provided to you by **New England Employee Benefits Co., Inc.**

This Legal Update is not intended to be exhaustive nor should any discussion or opinions be construed as legal advice. Readers should contact legal counsel for legal advice. ©2021 Zywave, Inc. All rights reserved.

