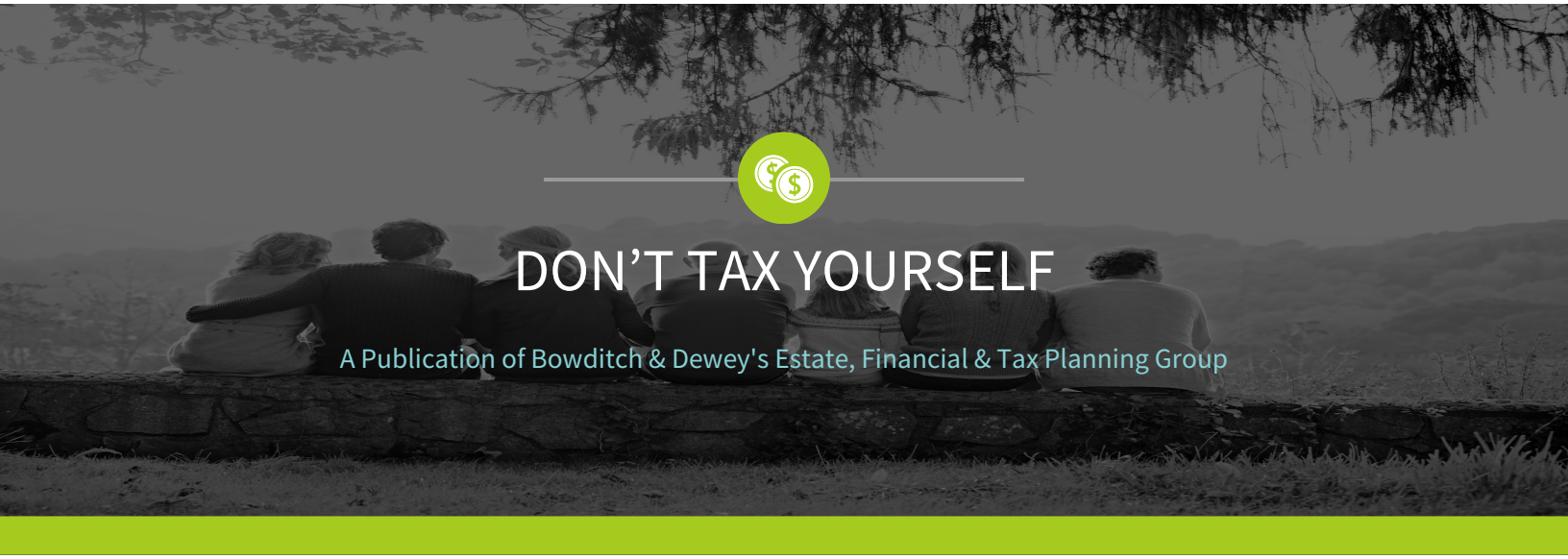

DON'T TAX YOURSELF

A Publication of Bowditch & Dewey's Estate, Financial & Tax Planning Group

Tax Relief to Mitigate COVID-19 Economic Costs

BY SCOTT C. CASHMAN • MARCH 20, 2020

WHAT MASSACHUSETTS TAX RELIEF IS AVAILABLE?

Massachusetts will follow the federal deferral guidelines for individual and corporate taxpayers (deferral of tax return filings and payments until July 2020).

Governor Baker announced that the state will postpone collection of sales, meals, and room occupancy taxes for businesses that paid less than $150,000 in taxes for the year ended February 29, 2020. Taxes due in March, April and May will be collected instead on June 20th.

For more information:

- Important COVID-19 Coronavirus Response Update from DOR
- Coronavirus: Massachusetts Gov. Charlie Baker signs unemployment benefits bill, announces tax extensions for some small businesses

WHAT TAX AND OTHER ECONOMIC RELIEF IS STILL PENDING?

A potential $1 trillion economic stimulus package currently being negotiated in Congress. The White House seeks the following stimulus items:

- $50 billion lending facility for the airline industry.
- $150 billion appropriated for secure lending or loan guarantees to assist other critical sectors of the U.S. economy experiencing severe financial distress due to the COVID-19 outbreak.
- Two rounds of direct payments to individual taxpayers to be administered by the IRS and Bureau of Fiscal Service: $250 billion to be issued April 6 and $250 billion issued May 18.
- A $300 billion small business interruption loan program for employers with 500 employees or less (for loans up to

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approx. $80,000).

For more information: Treasury memo on coronavirus stimulus package

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