

## IRS Extends 2021 Tax Filing Deadlines for Texas Taxpayers Impacted by Winter Storm

### **Federal Deadline Extensions**

On February 22, 2021, the Internal Revenue Service (IRS) issued relief to Texas residents and business owners suffering from the February 2021 winter storm by extending due dates for filing certain tax returns and making payments (including fourth quarter estimated tax payment due on April 15) until June 15, 2021. The extended deadline covers individual tax returns due April 15, 2021; typical business tax returns, such as corporation Forms 1120 and 1120-S and partnership Form 1065, due March 15, 2021; payroll and excise tax returns due April 30, 2021; and Forms 990 filed by non-profit organizations on May 17, 2021. In addition, penalties on deposits due on or after February 11, 2021 and before February 26, 2021, will be abated as long as the tax deposits were made by February 26, 2021.

Individuals and households that reside or have a business in all 254 Texas counties qualify for tax extension relief. These extensions are automatic, and require no action on the part of the taxpayer. Additional extensions may still be submitted for the normal extended due dates (i.e., through October 15, 2021, for individual Form 1040s), but will not need to be filed until June 15, 2021.

Taxpayers also have until June 15 to make 2020 IRA contributions.

### **Texas Comptroller Deadlines Not Extended**

As of the date of this release, the Texas Comptroller has not extended the normal May 15, 2021 due date for Texas franchise tax returns or payment of Texas franchise tax. The Texas Comptroller did match the IRS's extension in 2020 for federal tax returns due to the COVID-19 pandemic, so guidance may still be issued.

### **Related Casualty Losses Can be Deducted on 2020 Tax Returns**

In addition, those suffering uninsured or unreimbursed casualty-related losses may deduct those losses in the year preceding the loss, in this case the 2020 tax return, instead of waiting until 2022 to prepare and file the 2021 tax return. Personal (nonbusiness) casualty losses are still subject to the \$100 per loss/10 percent of adjusted gross income (AGI) limitation floor. Federal Emergency Management Agency (FEMA) Declaration Number 4586 should be shown on the return showing such loss.



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