



IRS releases additional guidance on 2020 deadline for Form 3520

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On the evening of 9 April 2020, the Inland Revenue Service (IRS) issued Notice 2020-23 postponing additional tax deadlines to 15 July 2020. The notice clarifies that the extended deadline relief includes not just the filing of specified income tax forms, but also all schedules, returns and other forms that are filed as attachments to income tax forms or are required to be filed by the due date of a specified income tax form. Relevant to offshore structures and their advisers, the 15 July 2020 deadline now applies to the following forms, among others:

- Form 3520 filed by US taxpayers to report transactions with foreign trusts and certain foreign gifts (for further details please see "Preparing US tax and information returns: Forms 3520 and 3520-A");
- Form 5472 filed by a foreign-owned US limited liability company (LLC) with a *pro forma* Form 1120 to report transactions with its foreign owner and related parties (for further details please see "Completing and filing Form 5472 for foreign-owned US LLC"); and
- Form 8938 filed with a US taxpayer's income tax return to report specified foreign financial assets (for further details please see "Reporting obligations and IRS compliance campaigns" section in "Overview (January 2020)").

The IRS notice does not address the report of foreign bank and financial accounts (FBAR), Financial Crimes Enforcement Network (FinCEN) Form 114, which is not a tax form. Under the Bank Secrecy Act (BSA), US persons are required to file an FBAR to report certain foreign financial accounts, such as bank accounts, brokerage accounts and mutual funds. The FBAR

is an annual report filed through the FinCEN BSA e-filing system. If they fail to meet the regular FBAR 15 April due date, US persons are allowed an automatic extension to 15 October. It is not necessary to request an extension to file the FBAR by 15 October.

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