

IRS Extends Deadlines for Like-Kind Exchanges to July 15th amid COVID-19 Pandemic



Craig Cockrell
ccockrell@mwlaw.com
(479) 464.5683

04/10/2020

Due to the ongoing COVID-19 pandemic, the IRS has granted taxpayers an automatic extension for the deadlines imposed by section 1031 of the Tax Code for like-kind exchanges.

In [IRS Notice 2020-23](#), released on April 9, 2020, the IRS announced that any person performing a “Specified Time-Sensitive Action” which is due to be performed on or after April 1, 2020 and before July 15, 2020, now has until July 15 to perform such actions. The long list of Specified Time Sensitive Actions referenced in the Notice includes the identification and completion deadlines for § 1031 like-kind exchanges.

Generally, in a like-kind exchange under § 1031, a taxpayer has 45 days from the closing date of the sale of a relinquished property to identify potential replacement properties. The taxpayer also has 180 days from the relinquished property closing date to close on the purchase of one or more replacement properties. The IRS guidance provides that for any 45-day or 180-day period expiring between April 1 and July 15, 2020, the deadline is now automatically extended to July 15.

The Notice provides extensions for a myriad of other tax-related deadlines, including all actions listed in [§ 301.7508A-1\(c\)\(1\)\(iv\) – \(vi\)](#) of the Treasury Regulations and [Revenue Procedure 2018-58](#).