

# Client Alert

## Authorization of Remote Witnessing for New York, Extension of Tax Deadlines, and Other Matters

April 13, 2020

### Remote Witnessing Authorized and Remote Notarization Extended Through May 7, 2020

By Executive Order issued on April 7, 2020, Governor Cuomo has authorized wills, revocable trusts, health care proxies, and statutory gifts riders, among other documents, to be witnessed utilizing audio-video technology. The authorization is in effect through May 7, 2020. The Executive Order also extends authorization of remote notarization through May 7, 2020.

### Additional Deadlines with Tax Implications Postponed, Including for Estate Tax

In Notice 2020-23, issued April 9, 2020, the Internal Revenue Service (“IRS”) has amplified its prior filing and payment relief by postponing until July 15, 2020, a number of additional forms and taxes that would otherwise have been due in the period from April 1, 2020, through July 15, 2020. The new relief applies to federal estate tax and estate tax returns, including principal and interest payments on estate tax deferred under section 6166 or section 6161 of the Internal Revenue Code. The deadline for paying estimated income taxes of individuals, estates and trusts for 2020—including second quarter estimated taxes due June 15, 2020—is also postponed until July 15, 2020.

The Notice also extends the time for making a number of tax-sensitive decisions, such as the time to disclaim gifts and bequests, otherwise due to occur on or after April 1, 2020, and before July 15, 2020.

As of the date of this Alert, New York has matched the earlier federal postponement of income tax payments and returns due April 15, 2020, but not the more comprehensive federal relief for payments and returns due in the period from April 1, 2020, through July 15, 2020. For example, New York estate tax payment and return dates have not been postponed.

### Declines in IRS Interest Rates Projected for the Month of May

As noted in previous Client Alerts, IRS interest rates that apply to grantor retained annuity trusts (“GRATs”) and loans are near historic lows for the month of April. Further significant declines have been projected for the month of May. Given these historically low rates and recent declines in asset values, now is an excellent time to create new GRATs, make loans to family members and trusts, sell assets in exchange for notes, or refinance existing intra-family debt at lower rates.

### Qualified Disaster Relief Payments and Grants by Charities to Individuals

Since President Trump has declared the COVID-19 virus a national emergency, employers may now make “qualified disaster relief payments” to employees, to help employees deal with certain expenses incurred in connection with the virus (such as medical expenses or expenses incurred by reason of having to work from home), and such payments will not be taxable income to the employees. Charities (including private foundations) may also make grants to individuals in need so long as certain protocols are followed to ensure the grants are for a charitable purpose and do not provide a private benefit.

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We are fully available to discuss any of the above with you.

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