

Filing Deadlines and Updates

January 15, 2021

Here are a few reminders for upcoming tax deadlines.

1. The deadline for filing and issuing 1099 -MISC/NEC is January 31, 2021
2. The deadline for filing/requesting an extension for **1120S return** for the 2020 tax year is **March 15, 2021**. S Corporations must file form 1120S and prepare form 10 K-1 for each shareholder that he/she will need to file their individual returns with the IRS. It is an informational return and no taxes are due with it.
3. The deadline for filing/requesting an extension for **1065 returns** for the 2020 tax year is **March 15, 2021**. A partnership/multiple LLC must file form 1065 and prepare form 10 K-1 for each shareholder that he/she will need to file their individual returns with the IRS. It is an informational return and no taxes are due with it.

Round Two PPP- Loan

A second round of PPP Funding [PPP2] has been authorized through March 31, 2021. Small businesses can apply for PPP2 funds through their bank, or through FinTech firms (Kabbage, Square, PayPal etc.). SBA for lenders that participate in the PPP loan program can be found here: <https://www.sba.gov/document/report--fintech-companies-participating-ppp-loans>

PPP2 expires March 31, 2021 and has a cap of \$2M for each borrower.

To qualify for PPP2 loans the business must have:

1. Less than 300 employees,
2. Used “or will use” the full amount of PPP1, and;
3. Documentation to verify that the business sustained at least a 25% decline in revenue in specific comparative fiscal quarters. The 25% decline means that the business’ gross receipts in any fiscal quarter of calendar year 2020 when compared to the same fiscal quarter of calendar year 2019 reflects at least a 25% decline in revenue.

Independent contractors or 1099-MISC/NEC employees can apply for PPP2 loans if they are qualified. If their incomes were reduced because of the pandemic they can apply. Again, check the SBA website for more information.