

IRS Announces Delay of Certain Periods for 1031 Transactions

In response to the ongoing coronavirus pandemic (COVID-19), the Internal Revenue Service (the IRS) has taken additional actions intended to provide immediate relief to taxpayers.

Delay of Identification and Acquisition Periods

The [IRS declared](#) on April 9, 2020, that all the provisions of Section 7508A of the Internal Revenue Code of 1986, as amended (the Code) and Revenue Procedure 2018-58, 2018-50 IRB 990, are active. These provisions postpone the dates that actions must be completed under several Code sections. In particular, certain dates with respect to tax-deferred exchanges under Code Section 1031 are postponed to July 15, 2020.

In Notice 2020-23, the IRS, through the application of Revenue Procedure 2018-58, provides that if the end of the 45-day identification period or the 180-day acquisition period with respect to a 1031 transaction would occur on or after April 1, 2020, such period is extended until July 15, 2020. Please note that there is no relief if either period expired prior to April 1, 2020.

Section 7508A of the Code provides the secretary of the treasury with authority to postpone the time for performing certain acts under the internal revenue laws for a taxpayer determined by the secretary to be affected by a federally declared disaster.

In prior updates, we summarized recent actions of the IRS, including [postponing federal income tax return and tax payment deadlines](#) in response to the president's national emergency declaration.

© 2020 Perkins Coie LLP

Explore more in

[Tax Law](#) [Real Estate & Land Use](#)

Related insights

Update

[Proposed DOJ FARA Rules Would Increase Uncertainty for Global Companies Amid Heightened Enforcement](#)

Update

[Treasury's Final Rule on Outbound Investments Takes Effect January 2](#)