IRS Temporarily Permits E-signature of 83(b) Elections

On April 15, 2021, in response to the ongoing COVID-19 situation, the U.S. Internal Revenue Service (IRS) [issued a temporary deviation](#) from the handwritten signature requirement for a limited list of tax forms, including elections under Section 83(b) of the Internal Revenue Code, allowing taxpayers and representatives to use electronic or digital signatures when signing such forms. The temporary deviation expires on December 31, 2021, and applies to forms signed and postmarked on August 28, 2020, or later.

Note that the temporary deviation does not affect the paper filing requirement for Section 83(b) elections. So, while Section 83(b) elections may be electronically signed during this temporary deviation period, they will still need to be printed on physical paper and mailed via certified mail to the IRS within 30 days of the transfer (or purchase) date of the securities subject to a substantial risk of forfeiture.

The IRS memorandum was issued about a month after Perkins Coie, Carta.com, and other coalition partners sent a [letter](#) to the IRS specifically requesting such temporary relief. Perkins Coie, Carta.com, and the coalition partners will continue to work with the IRS to try to make this change permanent and also to permit the electronic filing of Section 83(b) elections.

For additional inquiries, please contact [Wendy Moore](#), [Bryan Smith](#), or [Andy Shawber](#).

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