

# IRS Extends Deadlines For Certain 1031 Exchanges And Investments In Qualified Opportunity Funds

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On April 9, 2020, the IRS issued Notice 2020-23 (the "Notice"), which updated Notices 2020-18 and 2020-20 to provide additional relief to taxpayers affected by the COVID-19 pandemic. Specifically, the Notice benefits taxpayers engaged in certain 1031 Exchanges or investments in Qualified Opportunity Funds by extending certain deadlines until July 15, 2020.

For taxpayers participating in 1031 Exchanges, the Notice extends certain "time-sensitive actions" in the Treasury Regulations and Revenue Procedures due to a federally declared disaster. Included in these time-sensitive actions are the 45-day and 180-day identification periods under Section 1031. If either of those deadlines fall between April 1, 2020 and July 14, 2020, the deadline is automatically extended to July 15, 2020. Taxpayers in 1031 Exchanges will need to comply with other timing rules under Section 1031 in order to ensure they receive relief.

The Notice also extends the deadline for investing eligible capital gain in a Qualified Opportunity Fund. Generally, a taxpayer has 180 days to reinvest capital gain in a Qualified Opportunity Fund to qualify for opportunity zone tax benefits. If that 180-day investment deadline would have occurred between April 1, 2020 and July 14, 2020, then the Notice extends that deadline to July 15, 2020.

While the extensions provide relief for taxpayers involved in 1031 Exchanges and investing in Qualified Opportunity Funds with deadlines falling between April 1st and July 14th, no relief is currently available to taxpayers with deadlines occurring prior to April 1, 2020.

Partridge Snow & Hahn attorneys [Jay R. Peabody](#), [Russell J. Stein](#) and Patrick W. Niebauer are available to answer questions and provide advice for affected taxpayers.

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