



North Carolina Department of Revenue Expands Penalty Relief for Taxpayers Affected by COVID-19

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On March 31, 2020, the North Carolina Department of Revenue (NCDOR) announced that it is expanding tax relief as part of Governor Roy Cooper's response to the COVID-19 outbreak. [See **Important Notice**].

Pursuant to the guidance, the NCDOR will not impose penalties for late filing or payments of many tax types, including sales and use and withholding taxes, through July 15, 2020. The NCDOR previously announced tax relief for individuals, corporations, partnerships, trusts, and estates.

The NCDOR cannot waive interest after the due date under current state law--currently 5% per year, the minimum rate allowed by statute. Governor Cooper and lawmakers from both parties in the North Carolina General Assembly support passing a new law to waive interest on late tax payments. The General Assembly is not scheduled to reconvene until April 28, 2020.

Other Resources:

- Important Notice: Department of Revenue Expands Penalty Relief for Taxpayers Affected by Coronavirus Disease 2019 (March 30, 2020)
- Important Notice: Relief to Excise Taxpayers Affected by Novel Coronavirus Disease 2019 (COVID-19) (March 30, 2020)
- Frequently Asked Questions for Excise Taxpayers Affected by Novel Coronavirus Disease 2019 (COVID-19) (March 30, 2020)
- Tax Filing Deadline Extended to July 15 (March 21, 2020)

Please note: This alert contains general, condensed summaries of actual legal matters, statutes and opinions for information purposes. It is not meant to be and should not be construed as legal advice.

Readers with particular needs on specific issues should retain the services of competent counsel.

Please click here for additional legal updates from Williams Mullen regarding COVID-19.

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