



News & Publications

California Provides Relief for Section 1031 Exchanges

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California Provides Relief for Section 1031 Exchanges **April 16, 2020**

On April 9, 2020, the IRS issued Notice 2020-23, which automatically extended to July 15, 2020, several Federal filing, payment and statutory deadlines that would otherwise have been due on or after April 1, 2020, and before July 15, 2020. Among these deadlines were the 45-day identification period and the 180-day exchange period for Section 1031 exchanges. However, this IRS extension applied only at the Federal level and had no impact on state deadlines for Section 1031 exchanges. For a detailed discussion of the Federal extensions, please see our previous Client Alert [here](#).

On April 15, 2020, California's Franchise Tax Board issued guidance with respect to Section 1031 exchanges on its COVID-19 "Frequently Asked Questions" page. The guidance states that, for California tax purposes, if a taxpayer's Section 1031 exchange 45-day identification period or 180-day exchange period is due to expire on or after April 1, 2020, and before July 15, 2020, the taxpayer's identification period or exchange period, as the case may be, will be extended until July 15, 2020. The full text of the guidance can be found [here](#).

As always, we will keep you updated as we learn more regarding the impact the COVID-19 crisis is having on both Federal and California tax laws. Please do not hesitate to contact us directly if you have any questions or would like to discuss these issues in more detail.

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