

IRS Extensions for 1031 Exchanges

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TIMEFRAMES



Timeframes for an Exchange

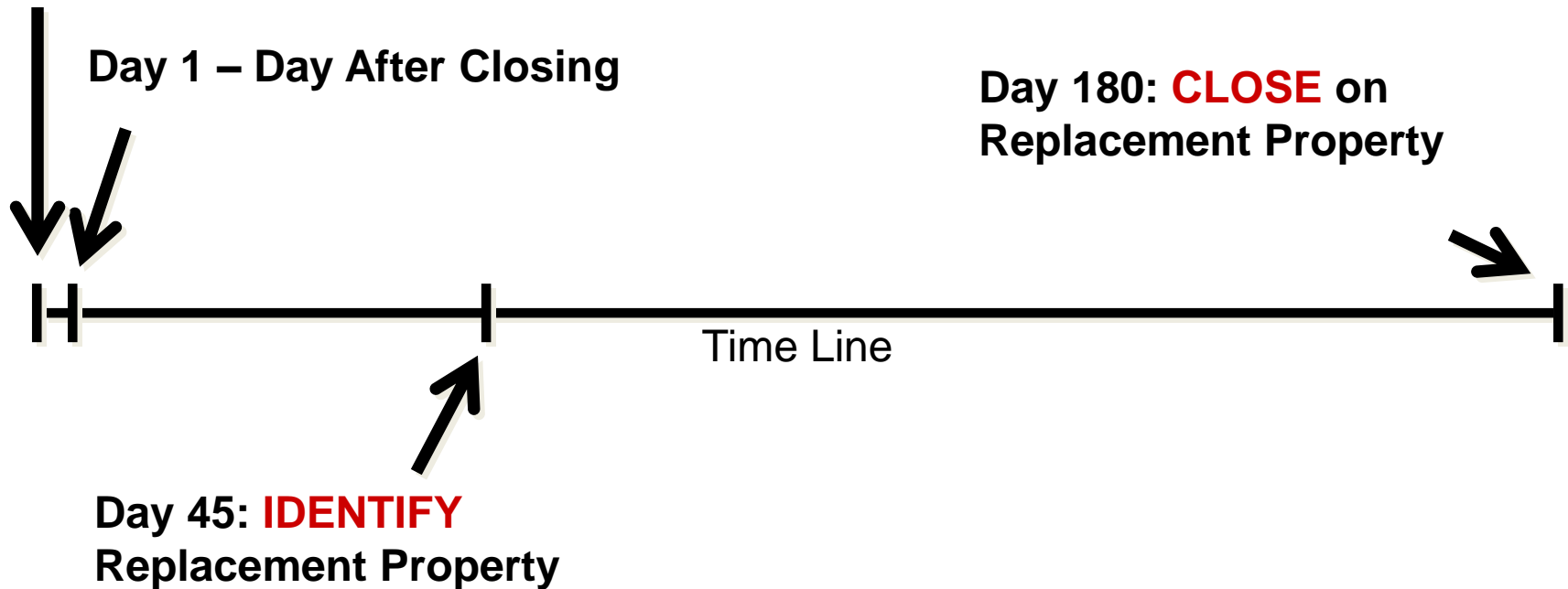


45-day Identification Period

180-day Exchange Period

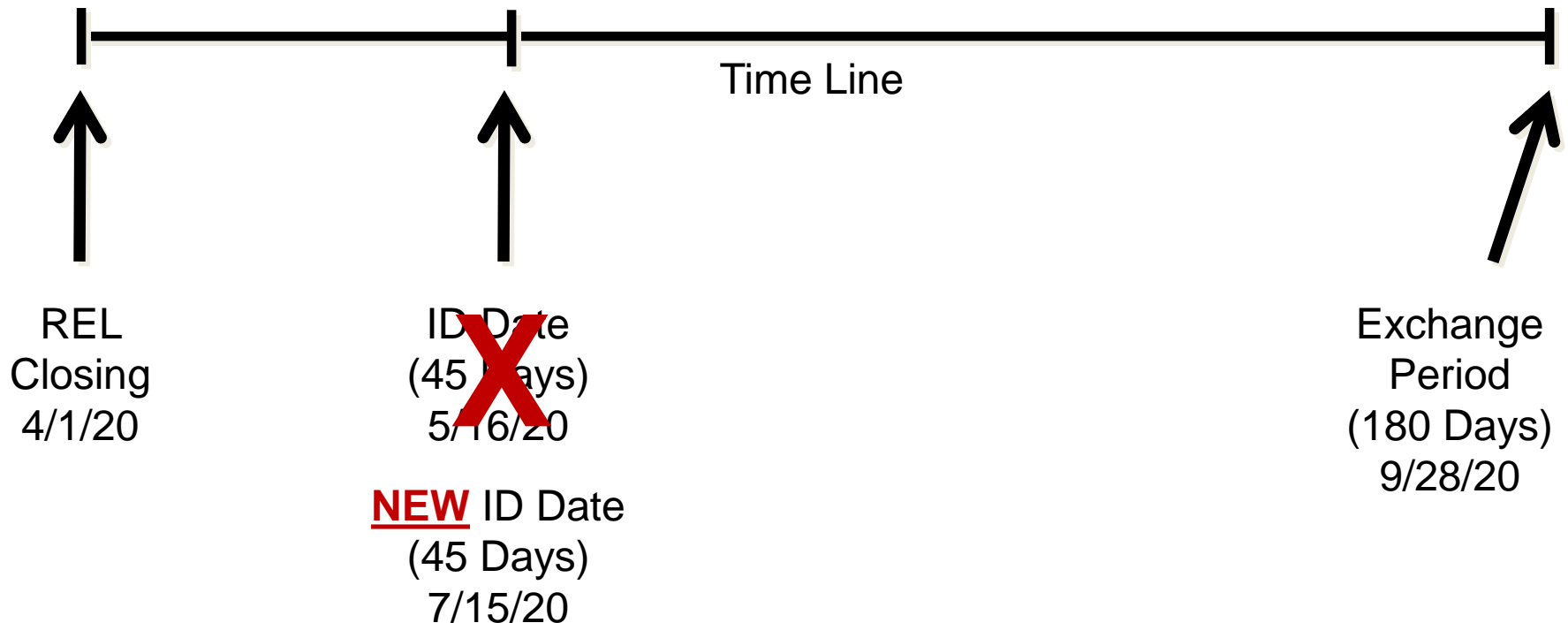
Timeframes for an Exchange

Day 0 – Closing of Relinquished Property



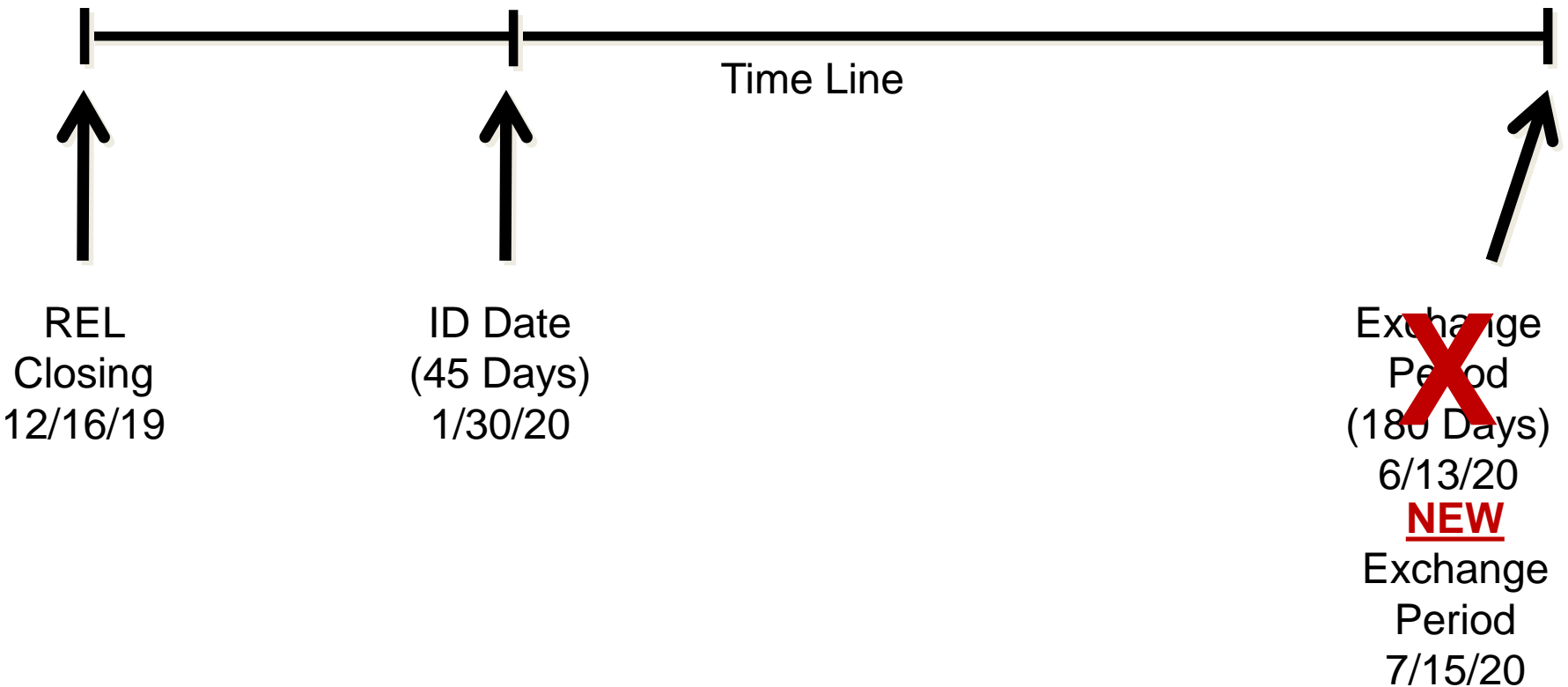
Timeframes for an Exchange

If your 45th day to Identify Replacement Property is between 4/1/20 and 7/14/20



Timeframes for an Exchange

If your 180th day to complete your 1031 Exchange is
between 4/1/20 and 7/14/20



Timeframes for an Exchange

COVID-19 Extensions

Due to the COVID-19 pandemic, the IRS has issued Notice 2020-23 which extends the 1031 Exchange deadlines for all affected taxpayers. This notice will extend your Identification Period or Exchange Period to July 15, 2020.

If an Exchangor's 45th day or 180th day falls between April 1, 2020 and July 15, 2020, the date is automatically extended to July 15, 2020.

If a client does not want this extension, they must opt-out with their Qualified Intermediary.



Timeframes for an Exchange

COVID-19 Extensions (cont.)

Why would a taxpayer want to opt-out?

- They have not found replacement property within their 45 days identification period and they have decided to take their funds.
- Their 180th day is coming soon and they want the balance of their exchange funds.

Timeframes for an Exchange

COVID-19 Extensions (cont.)

These extensions are based off of the release of Notice 2020-23 on April 9, 2020. This information could be amended by the IRS in the future. Please consult with your tax professional or legal advisor for additional information.





QUESTIONS?



Thank you for attending

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