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Tax professionals weigh in on 2021 tax season deadline

NATP survey finds July 15, 2020, filing extension was helpful for tax pros and their clients

APPLETON, Wis. (Feb. 1, 2021) – The National Association of Tax Professionals (NATP) issued a survey to tax professionals in December 2020 with questions about the 2020 filing season, its extended deadline and more.

Of the 589 respondents, 61.8% reported they thought the July 15, 2020, filing extension for individual returns was positive for them as a practitioner, and 77% of tax professionals thought the extension was positive for their clients.

As a follow up, 53% of respondents were in favor of another filing extension in 2021.

Other findings include:

- 73% of respondents expect the lack of guidance from the IRS on new tax provisions related to COVID-19 relief to be the biggest challenge for 2021.
- 66% of respondents expect the biggest challenge for taxpayers in the 2021 filing season to be understanding the tax impacts of COVID-19, including the economic impact payments, COVID distributions and the earned income credit.

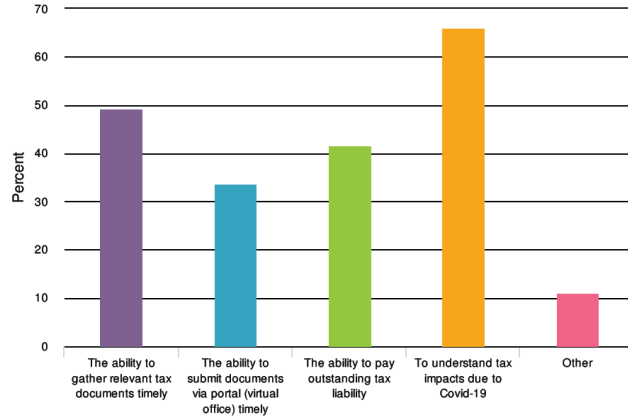
NATP continues to monitor the 2021 tax season filing deadlines and will initiate conversations with the IRS and advocate on behalf of tax professionals and their clients as needed. For more information on this survey, or to see a complete list of findings, contact nkasten@natptax.com.

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About NATP: The National Association of Tax Professionals (NATP) is the largest association dedicated to equipping tax professionals with the resources, connections and education they need to provide the highest level of service to their clients. 23,000 members rely on NATP to deliver professional connections, content expertise and advocacy that provides them with the support they need to best serve their clients. The NATP headquarters is located in Appleton, WI. To learn more, visit www.natptax.com.

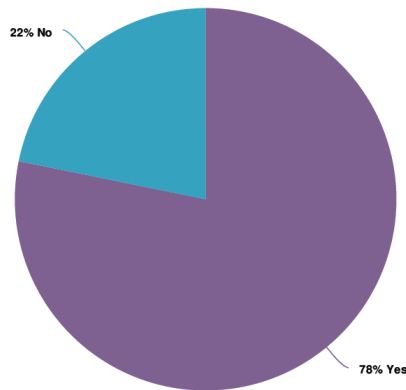
Looking for a tax expert? Rhonda Collins, EA, CPA, MBA, is the director of tax content and government relations at the National Association of Tax Professionals (NATP). Collins has a diverse background of over 25 years in the industry. As a licensed CPA and EA, Collins can represent clients before the IRS. She is available for phone or video interviews to discuss federal tax topics including tax law change and its implications, taxpayer issues, tax preparer regulation and more. To schedule an interview with Collins, contact nkasten@natptax.com.

1. What do you expect to be the biggest challenges for taxpayers in the upcoming 2021 tax filing season?



Value	Percent	Responses
The ability to gather relevant tax documents timely	49.3%	287
The ability to submit documents via portal (virtual office) timely	33.7%	196
The ability to pay outstanding tax liability	41.6%	242
To understand tax impacts due to Covid-19	66.0%	384
Other	11.0%	64

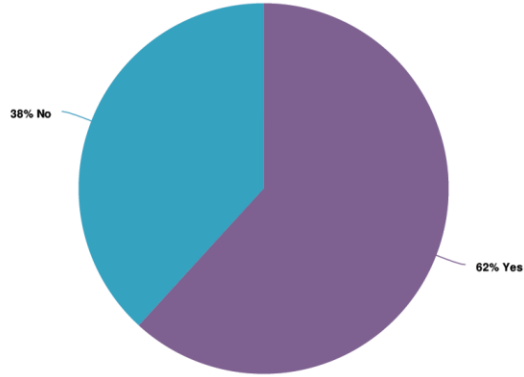
2. Do you believe the processing delay of the 2019 returns will affect the 2021 tax filing season?



Value	Percent	Responses
Yes	78.2%	456
No	21.8%	127

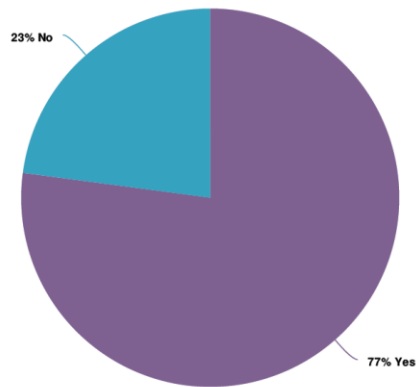
Totals: 583

3. Was the July 15, 2020, filing extension for individual returns positive for you as a practitioner?



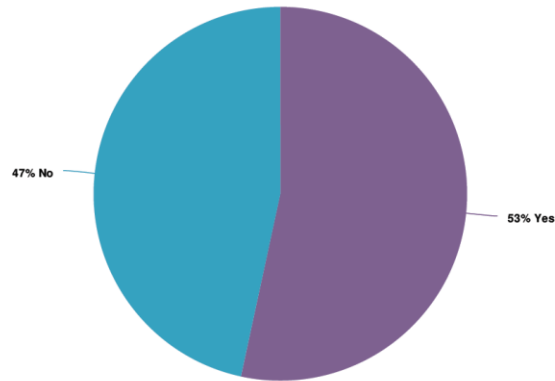
Value	Percent	Responses
Yes	61.8%	361
No	38.2%	223
Totals: 584		

4. Was the July 15, 2020, filing extension for individual returns positive for your clients?



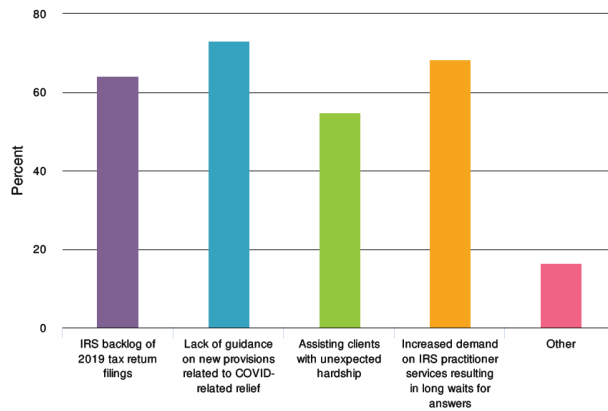
Value	Percent	Responses
Yes	77.1%	445
No	22.9%	132
Totals: 577		

5. Would you be in favor of a filing extension to July 15, 2021?



Value	Percent	Responses
Yes	53.4%	310
No	46.6%	270
Totals: 580		

6. What do you expect to be the biggest challenges for tax preparers in 2021?



Value	Percent	Responses
IRS backlog of 2019 tax return filings	64.0%	373
Lack of guidance on new provisions related to COVID-related relief	73.1%	426
Assisting clients with unexpected hardship	54.9%	320
Increased demand on IRS practitioner services resulting in long waits for answers	68.3%	398
Other	16.6%	97