



TaxNewsFlash

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Notice 2024-33: Limited relief from underpayment of estimated tax attributable to CAMT liability

The IRS today released [Notice 2024-33](#) providing a waiver of the addition to tax under section 6655 for underpayment of the 2024 first quarterly installment of estimated income tax due on or before April 15, 2024 (or on or before May 15, 2024, for taxpayers with taxable years beginning in February 2024) to the extent the amount of any underpayment is attributable to a portion of a taxpayer's corporate alternative minimum tax (CAMT) liability under section 55, as amended by H.R. 5376, commonly called the "Inflation Reduction Act of 2022" (IRA).

KPMG observation

The relief provided by Notice 2024-33 is exceptionally limited. The relief only "applies to the installment of estimated tax that is due on or before April 15, 2024, or on or before May 15, 2024 (in the case of a fiscal year taxpayer with a taxable year beginning in February 2024)." As most taxpayers have made their estimated payments due April 15, 2024 (i.e., today), the notice seems only helpful to fiscal year applicable corporations with a tax year beginning in February 2024 (and to taxpayers who "missed" the fact that 2024 Q1 estimated payments needed to take into account the CAMT and do not qualify to use prior year numbers for Q1 estimated payments). However, the relief may help any applicable corporation that miscalculated their estimated 2024 CAMT liability. The relief also does not apply to section 6651 penalties (i.e., failure-to-pay penalties)—thus it would appear that 2023 extension payments (which are due for calendar year taxpayers on April 15, 2024 (i.e., today) still need to take into account the CAMT.

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