Part III — Administrative, Procedural, and Miscellaneous

Extension of Relief from Penalty for Failure to Deposit Remittance Excise Tax

Notice 2026-52

SECTION 1. PURPOSE

This notice extends the relief provided in Notice 2025-55, 2025-43 I.R.B. 625, in connection with the excise tax imposed on certain remittance transfers by section 4475 of the Internal Revenue Code[1] (remittance transfer tax). Specifically, this notice extends relief for remittance transfer providers related to the failure to deposit penalty imposed by section 6656 and the deposit safe harbor provided in § 40.6302(c)-1(b)(2). This relief is available for semimonthly periods ending before the applicability date of final regulations issued under section 4475.

SECTION 2. BACKGROUND

Section 3 of Notice 2025-55 provides temporary relief for the failure to deposit penalty imposed by section 6656 in relation to the remittance transfer tax. Specifically, section 3 of Notice 2025-55 provides that a remittance transfer provider will be deemed to have satisfied the reasonable cause standard under section 6656 if: (i) the remittance transfer provider makes timely deposits of the applicable remittance transfer tax, even if

[1] Unless otherwise specified, all “section” or “§” references are to the Internal Revenue Code or the Excise Tax Procedural Regulations in 26 CFR part 40 (part 40).

the deposit amounts are computed incorrectly, and (ii) the amount of any underpayment of the applicable remittance transfer tax for each calendar quarter is paid in full by the due date for filing the Form 720, *Quarterly Federal Excise Tax Return*, for that quarter.

Section 3 of Notice 2025-55 also provides that a remittance transfer provider's ability to use the deposit safe harbor under § 40.6302(c)-1(b)(2) will not be affected by a failure during the first three calendar quarters of 2026 to make deposits of the remittance transfer tax as required under part 40, provided the remittance transfer provider satisfies the reasonable cause standard for those quarters.

The temporary relief provided in section 3 of Notice 2025-55 does not apply to calendar quarters beginning after September 30, 2026.

SECTION 3. EXTENSION OF RELIEF

To continue the transition period while the rules governing the scope and application of the remittance transfer tax are being finalized, the Treasury Department and the IRS have determined that it is in the interest of sound tax administration to extend the relief provided in section 3 of Notice 2025-55.

(a) <u>Extension of deemed satisfaction of reasonable cause standard</u>.

For semimonthly periods ending before the applicability date of final regulations issued under section 4475, a remittance transfer provider will be deemed to have satisfied the reasonable cause standard under section 6656 if: (i) the remittance transfer provider makes timely deposits of the applicable remittance transfer tax, even if the deposit amounts are computed incorrectly, and (ii) the amount of any underpayment of the applicable remittance transfer tax for each calendar quarter is paid in full by the due date for filing the Form 720 for that quarter.

(b) Extension of ability to use deposit safe harbor.

A remittance transfer provider's ability to use the deposit safe harbor under § 40.6302(c)-1(b)(2) will not be affected by a failure to make a deposit of the remittance transfer tax as required under part 40 with respect to a semimonthly period ending before the applicability date of final regulations issued under section 4475, provided the remittance transfer provider satisfies the reasonable cause standard with respect to that failure.

SECTION 4. EFFECT ON OTHER DOCUMENTS

Notice 2025-55 is modified and amplified.

SECTION 5. DRAFTING INFORMATION

The principal author of this notice is Michael H. Beker of the Office of the Associate Chief Counsel (Energy, Credits, and Excise Tax). For questions regarding this notice, contact Mr. Beker at (202) 317-6855 (not a toll-free number).