



# TaxNewsFlash

## United States

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### IRS summarizes hurricane-related tax relief

The IRS today issued a release that briefly summarizes tax relief available to taxpayers affected by Hurricanes Harvey, Irma, and Maria.

As noted in the IRS release—[IR-2017-160](#)—the IRS is providing relief to individuals and businesses in any location in Florida, Georgia, Puerto Rico, and the Virgin Islands and located in certain parts of Texas.

Read editions of *TaxNewsFlash* relating to the hurricane-related tax relief on a dedicated [disaster-relief webpage](#).

#### Postponed deadlines

The tax relief includes postponed tax deadlines, providing individuals and businesses until January 31, 2018, to file returns and pay taxes due, including:

- Individual filers whose tax-filing extension expires October 16, 2017 (tax payments related to these 2016 returns were originally due on April 18, 2017, and are not eligible for this relief)
- Business filers, such as calendar-year partnerships, whose extensions expired September 15, 2017
- Quarterly estimated tax payments due on September 15, 2017, and January 16, 2018
- Quarterly payroll and excise tax returns due October 31, 2017
- Calendar-year tax-exempt organizations, with 2016 extensions expiring November 15, 2017

#### Other assistance

The IRS also has offered other “special assistance” to disaster-area taxpayers, including:

- Special relief for employer-sponsored leave-based donation programs to aid hurricane victims. Under these programs, employees may forgo their vacation, sick or personal leave in exchange for cash payments the employer makes, before January 1, 2019, to charities providing relief. Donated leave is not included in the employee’s income, and employers may deduct these cash payments to charity as a business expense.
- Section 401(k) plans and similar employer-sponsored retirement plans can make loans and hardship distributions to hurricane victims and members of their families. A retirement plan can allow a hurricane victim to take a hardship distribution or borrow up to the specified statutory limits from the victim’s retirement plan. A person who lives outside the disaster area can take out a retirement plan loan or hardship distribution and use it to assist a son, daughter, parent, grandparent or dependent who lived or worked in the disaster area. Hardship withdrawals must be made by January 31, 2018.
- The IRS is waiving late-deposit penalties for federal payroll and excise tax deposits normally due during the first 15 days of the disaster period (different time periods may apply to each jurisdiction).
- Individuals and businesses that suffered uninsured or unreimbursed disaster-related losses may elect to claim them on either the return for the year the loss occurred (in this instance, the 2017 return that typically would be filed in 2018), or the return for the prior year (2016).
- The IRS is waiving the usual fees and expediting requests for copies of previously filed tax returns for disaster area taxpayers.
- If taxpayers in designated disaster areas are contacted by the IRS on a collection or examination matter, they need to explain how the disaster has affected them so that the IRS can give appropriate consideration to their situations.

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