



TaxNewsFlash

United States

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Notice 2018-19: “Physical presence” test extension; individuals in hurricane-affected U.S. territories

The IRS today released an advance version of Notice 2018-19 that extends relief previously provided to individuals who, because of the continued dislocation caused by Hurricane Irma and Hurricane Maria, may otherwise lose their status as “bona fide resident” of Puerto Rico or the U.S. Virgin Islands.

[Notice 2018-19](#) [PDF 11 KB] extends the relief for a period of 268 days—effective beginning September 6, 2017, and ending May 31, 2018.

Background

The IRS in October 2017 issued Notice 2017-56 to extend the 14-day “absence period” to 117 days under Reg. section 1.937-1(c)(3)(i)(C)(1).

Without this extension, individuals affected by the hurricanes might not have been able to satisfy the “physical presence” test with respect to residency in Puerto Rico or the U.S. Virgin Islands, and might otherwise have lost their status as a “bona fide resident” of a U.S. territory under section 937(a) because of their unexpected and prolonged dislocation caused by Hurricane Irma and Hurricane Maria.

Notice 2017-56 provided an extension of the usual 14-day absence period to 117 days beginning September 6, 2017, and ending December 31, 2017. An individual who is absent from either Puerto Rico or the U.S. Virgin Islands on any day during this 117-day period would be treated as leaving or being unable to return to the relevant U.S. territory as a result of Hurricane Irma and Hurricane Maria on such day.

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Notice 2018-19

Today's notice extends the 14-day period to 268 days, and thus modifies Notice 2017-56.

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