



# TaxNewsFlash

## United States

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### **Rev. Proc. 2018-23: No countries eligible for section 911(d)(1) waiver for 2017; Turkey added for 2016**

The IRS today released an advance version of Rev. Proc. 2018-23 that:

- Does not list any countries for which the eligibility requirements of section 911(d)(1) are waived for tax year 2017
- Adds Turkey to the list of countries for which the eligibility requirements of section 911(d)(1) are waived for tax year 2016

#### **No countries listed for 2017**

According to [Rev. Proc. 2018-23](#) [PDF 19 KB], for tax year 2017, a determination was made by the Treasury Secretary (in consultation with the Secretary of State) that no country has experienced war, civil unrest, or similar adverse conditions that precluded the normal conduct of business. Therefore, today's revenue procedure does not list any country for section 911 purposes for tax year 2017.

#### **Turkey added for 2016**

Rev. Proc. 2018-23 states that an individual who left Turkey on or after October 29, 2016, will be treated as a "qualified individual" for purposes of section 911 with respect to the period during which that person was present in, or was a bona fide resident of Turkey—provided that the individual establishes a reasonable expectation of meeting the requirements of section 911(d) but for the adverse conditions.

Persons who were first physically present (or established residency) in Turkey October 29, 2016, are not eligible for this exception for the tax year 2016.

#### **Background**

The IRS traditionally has issued revenue procedures as guidance for individuals who failed to meet the eligibility requirements of either the bona fide residence test or the physical presence test under section 911(d)(1)—and thus may not exclude foreign earned income and housing cost amounts from gross income—because war, civil unrest or similar adverse conditions in a foreign country have precluded the individuals from satisfying these requirements for the tax year.

The IRS issued Rev. Proc. 2017-26 in March 2017 that listed South Sudan for which the eligibility requirements of section 911(d)(1) are waived for tax year 2016. Read [TaxNewsFlash](#)

Rev. Proc. 2018-23 states that previously issued revenue procedures under section 911(d)(4) remain in full effect and force.

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