

TaxNewsFlash

United States



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Rev. Proc. 2023-19: Waiver for individuals electing to exclude foreign earned income

The IRS today released an advance version of [Rev. Proc. 2023-19](#) [PDF 102 KB] providing information to any individual who failed to meet the eligibility requirements of section 911(d)(1) for 2022 because of adverse conditions in a foreign country.

Section 911 allows a "qualified individual," as defined in section 911(d)(1), to elect to exclude from gross income their foreign earned income and to exclude or deduct their housing cost amount. Section 911(d)(4) provides that an individual will be treated as a qualified individual with respect to a period in which the individual was a bona fide resident of, or was present in, a foreign country if the individual left the country during a period for which the Treasury Secretary, after consultation with the Secretary of State, determines that individuals were required to leave because of war, civil unrest, or similar adverse conditions that precluded the normal conduct of business.

For 2022, the Treasury Secretary, in consultation with the Secretary of State, has determined that war, civil unrest, or similar adverse conditions precluded the normal conduct of business in the following countries beginning on the specified date:

Country	Date of departure on or after
Ethiopia	January 3, 2022
Iraq	January 14, 2022
Ukraine	February 12, 2022
Belarus	February 28, 2022
China	April 11, 2022
Mali	July 29, 2022

For example, for purposes of section 911, an individual who left Ethiopia on or after January 3, 2022, will be treated as a qualified individual with respect to the period during which that individual was present in, or was a bona fide resident of, Ethiopia if the individual establishes a reasonable expectation that he or she would have met the requirements of section 911(d) but for those conditions.

To qualify for relief under section 911(d)(4), an individual must have established residency, or have been physically present, in the foreign country on or before the date that the Treasury Secretary determines that individuals were required to leave the foreign country. For example, individuals who were first physically present or established residency in Ethiopia after January 3, 2022, are not eligible to qualify for the exception provided in section 911(d)(4) for 2022.

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