

TAX ALERT

IRS ANNOUNCES HURRICANE IRMA RELIEF BY EDUARDO CHUNG AND NATHAN PLISKIN

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The Internal Revenue Service (“IRS”) has announced relief provisions that will be available to Hurricane Irma victims. The tax relief parallels the relief recently granted to victims of Hurricane Harvey (see our previous [Tax Alert](#) dated September 12, 2017), and apply to individuals who reside in or have a business in the following Florida counties:

- Brevard, Broward, Charlotte, Clay, Collier, Duval, Flagler, Hillsborough, Lee, Manatee, Miami-Dade, Monroe, Palm Beach, Pinellas, Polk, Putnam, Sarasota, St. Johns and St. Lucie.

The relief provisions also apply to the islands of St. John and St. Thomas in the U.S. Virgin Islands and the municipalities of Culebra, Vieques, Canovanas and Loiza in Puerto Rico.

The above list is as of September 13, 2017. The list may be updated in the future and can be found on the [disaster relief page on IRS.gov](#).

Individuals who live, and businesses whose principal place of business is located, in the covered disaster area will have an extended period of time to file most tax returns that have an original due date occurring on or after September 4 (in Florida) or September 5 (in Puerto Rico and the Virgin Islands). Tax returns (such as individual, corporate, and trust and estate income tax returns; partnership returns, S corporation returns, estate, gift and generation skipping transfer tax returns; and employment and certain excise tax returns) originally due on or after those dates will now be due by January 31, 2018. The due date for estimated income tax payments falling in the period between September 4 or 5 and January 31, 2018 has also been extended until January 31, 2018.

The relief also applies to 2016 individual income tax returns that were extended until October 15, 2017. However, because the payments related to these 2016 returns were originally due on April 18, 2017, those payments are not eligible for relief. Entities, such as calendar year partnerships, that have extended tax returns due during this period will also have additional time to file their respective returns.

The IRS is applying this relief automatically by identifying taxpayers in the covered disaster area. Taxpayers affected by Hurricane Irma who reside, or have a business located, outside the covered disaster area must call the IRS disaster hotline to request this relief. Additional information can be found in [IRS News Release IR-2017-150](#).

FinCEN has also announced that victims of Hurricane Irma in affected areas of Florida, Puerto Rico and the U.S. Virgin Islands will have until January 31, 2018 to file their 2016 Report of Foreign Bank and Financial Accounts (FBAR). In addition, FinCEN will work with any FBAR filer who lives outside the

disaster area, but whose records required to meet the deadline are located in the affected area, regardless of where the filer resides. FBAR filers who live outside the affected area and need assistance meeting their filing obligations should contact the FinCEN Resource Center at 800-767-2825 or frc@fincen.gov.

The IRS has also announced relaxed rules for qualified plans making hardship distributions to families that have been affected by Hurricane Irma. Some of the relief provisions include exemption from verification procedures of hardship, removal of prohibitions on contributions after a hardship distribution and the ability to make the distributions prior to amendment of the plans. To take advantage of this relief, the distributions must be made by January 31, 2018. The Department of Labor has also announced it will follow the provisions of this IRS announcement. More details can be found in [IRS News Release 2017-151](#) and [IRS Announcement 2017-13](#).

It is anticipated that various states will provide additional Hurricane Irma relief.

Please contact your Mazars USA professional for additional information.

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